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The Department of State bulletin

VOL. XIX, No. 492 • PUBLICATION 3357

December 5, 1948

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:

52 issues, domestic \$5, foreign \$7.25
Single copy, 15 cents

Published with the approval of the
Director of the Bureau of the Budget

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U.S. Amendments to U.K. Resolution on Palestine

STATEMENT BY PHILIP C. JESSUP IN COMMITTEE I¹

U.S. Delegate to the General Assembly

Last Saturday the United States Delegation presented to the Committee a preliminary statement of its views on the progress report of the mediator on Palestine.² Today we wish to offer some additional views with particular reference to the United Kingdom resolution.

The United States Delegation supports the preamble of the United Kingdom's draft resolution as it stands. We fully agree that reference should be made to the General Assembly's resolutions of November 29, 1947, and May 14, 1948, as they represent the previous recommendations of the General Assembly with regard to the Palestine question and are fundamental to our present consideration. We also believe that reference should be made in the preamble to the progress report of the United Nations mediator in Palestine because it sets forth the results of Count Bernadotte's activities in Palestine undertaken pursuant to the General Assembly resolution of May 14, 1948. The progress report of the mediator is presently the point of departure for the work of this Committee.

We are likewise in full accord with the United Kingdom Delegation in believing that specific reference should be made in the preamble to the resolutions of the Security Council concerning the truce in Palestine and to the Council's resolution of November 16 concerning the establishment of an armistice. It will be recalled that the first of Count Bernadotte's seven basic premises dealt with the return to peace and that the first of Count Bernadotte's specific conclusions is framed in the following language:

"(A) Since the Security Council, under pain of Chapter VII sanctions, has forbidden further employment of military action in Palestine as a means of settling the dispute, hostilities should be pronounced formally ended either by mutual agreement of the parties or, failing that by the United Nations. The existing truce should be superseded by a formal peace, or at the minimum, an armistice which would involve either complete withdrawal and demobilization of armed forces or their wide separation by creation of broad demilitarized zones under United Nations supervision."

The United States Delegation is of the opinion that the Security Council's resolution of November 16 is a long step in the direction of the goal which Count Bernadotte has described in the first of his specific conclusions. We hope that the parties will, in the near future, be able mutually to agree to the terms of an armistice and rapidly thereafter to establish a formal peace.

The United States Delegation supports the first numbered paragraph of the draft resolution of the United Kingdom Delegation. We consider that Count Bernadotte made a lasting contribution toward a peaceful adjustment of the future situation of Palestine and that the acting mediator and his staff have faithfully continued the work which Count Bernadotte commenced.

The United States Delegation believes that the second numbered paragraph of the draft resolution of the United Kingdom should be given particularly careful consideration. We fear that if it is adopted with its present wording, the Conciliation Commission—which is provided for in the third numbered paragraph—will not have a sufficiently clear mandate from the General Assembly.

A member of the Conciliation Commission under instructions to carry out the will of the General Assembly under the second numbered paragraph of the United Kingdom's draft resolution, might not know, for example, whether the General Assembly's resolution of November 29, 1947, was even to be taken into consideration. The present draft does not cancel it; nor does the present draft state that Count Bernadotte's specific conclusions represent the definitive view of the General Assembly. It merely "endorses" them. We recall Mr. McNeil's analysis on November 18 of the relationship between the resolution of November 29 and the United Kingdom resolution. He reasoned that, first, the Assembly had reached the conclusion that Palestine ought to be partitioned; second,

¹ Made on Nov. 23, 1948, and released to the press on the same date.

² BULLETIN of Nov. 28, 1948, p. 656.

the Assembly had attempted to strike a just balance between Arab and Jewish claims; third, it had become clear before the mandate ended that the resolution of November 29 would not carry out the Assembly's intentions; fourth, although the mediator was not instructed to promote a peaceful adjustment within the framework of the resolution of November 29, that resolution was not repealed by the later resolution of May 14 and the mediator must consequently have felt that he was obliged to pay particular attention to the considerations which had led to the Assembly's earlier decision. Mr. McNeil concluded with the view that Count Bernadotte translated into terms of practical politics the wishes expressed by the Assembly in November 1947.

It would seem essential to me, therefore, that the General Assembly now make clear, in any resolution it passes, the relationship between the November 1947 resolution and any resolution we now adopt.

It would seem logical that such relationship might more appropriately be defined in the third numbered paragraph which establishes a Conciliation Commission and defines its functions and in the fifth numbered paragraph which deals with the question of boundaries. I shall return to this subject later. Meanwhile, we would suggest that the present paragraph 2 of the United Kingdom draft be deleted.

The United States Delegation suggests that the draft resolution of the United Kingdom would be considerably strengthened if there were included in it the principle which has already been established in the Security Council. I refer to the Security Council's resolution of November 16 which called upon the parties directly involved in the conflict in Palestine to seek agreement forthwith, either directly or through the acting mediator on Palestine, with a view to the immediate establishment of an armistice including the delineation of permanent armistice demarcation lines and such withdrawal and reduction of their armed forces as will insure the maintenance of the armistice during the transition to permanent peace.

We are therefore proposing that a new second numbered paragraph be added which would read as follows:

"2. Calls upon the governments and authorities concerned to extend the scope of the negotiations provided for in the Security Council's Resolution of 16 November 1948, and to seek agreement by negotiations conducted either directly or through the Conciliation Commission with a view to a final settlement of all questions outstanding between them."³

³ U.N. doc A/C.1/397, Nov. 23, 1948.

It is our opinion that the experience which we and the peoples directly concerned with Palestine have gained during the past year clearly indicates the need for an early assumption by the parties themselves of responsibility for the achievement of a peaceful solution of the Palestine problem. It is not too much to expect the governments and authorities directly concerned to assume this responsibility. It is not too much to expect that they will be able to broaden the discussions contemplated by the Security Council resolution of November 16 to include definitive political arrangements. My Delegation believes that the United Nations Conciliation Commission contemplated by this draft resolution can be of genuine assistance in reaching this objective.

The expansion of armistice discussions is imperative. For over a year strife has torn the Holy Land. This conflict has drawn into it many countries of the Near East. The political and economic lives of the peoples of this region have been disrupted. The previous progress of the states and peoples of this area has been retarded. It would be difficult to calculate the loss in any terms. The United Nations is perhaps in a better position than any single state or international organization to halt this deterioration and to make it possible for the states and peoples again to turn their attention to constructive pursuits. The United Nations may be able to accomplish this purpose by calling upon the governments and authorities concerned to extend the scope of their presently proposed negotiations.

The United States Delegation supports, in general, the third numbered paragraph of the draft resolution of the United Kingdom but believes, as I have indicated earlier, that it should be amended to give more accurate and clearer instructions to the Conciliation Commission which is established.

It seems essential to us that the Commission's functions should be enumerated. If a Conciliation Commission is being established, a United Nations mediator for Palestine appears to us no longer required in his mediatory capacity. The Conciliation Commission should, therefore, assume the functions given to the United Nations mediator in Palestine by the resolution of the General Assembly of May 14.

The Conciliation Commission should also carry out the instructions contained in the present resolution and such additional instructions as may in the future be given to the Commission by the General Assembly or the Security Council.

Another duty of the new Conciliation Commission would be the most important one of consulting the governments and authorities concerned with a view to achieving a final settlement of all questions outstanding between them. If we call upon the parties to extend the scope of the negotiations—as is suggested through the addition of

U.K. DRAFT RESOLUTION OF NOVEMBER 18, 1948¹

The General Assembly,

HAVING ADOPTED on 29 November 1947 a resolution (A/516) regarding the future government of Palestine and providing a plan of partition with economic union;

HAVING ADOPTED on 14 May 1948 resolution 186 (S-2) empowering a United Nations Mediator in Palestine to exercise certain functions including the use of his good offices to promote a peaceful adjustment of the future situation of Palestine;

HAVING RECEIVED AND EXAMINED the Progress Report of the United Nations Mediator on Palestine (A/648) submitted by the late Count Folke Bernadotte;

HAVING TAKEN NOTE of the resolutions of the Security Council concerning the truce in Palestine and of the resolution of 16 November 1948 concerning the establishment of an armistice by means of negotiations conducted either directly or through the Acting Mediator on Palestine;

1. *Expresses* its deep appreciation of the progress achieved through the good offices of the late United Nations Mediator in promoting a peaceful adjustment of the future situation of Palestine for which cause he sacrificed his life; and *extends* its thanks to the Acting Mediator and his staff for their continued efforts and devotion to duty in Palestine;

2. *Notes* with satisfaction Part I of the Progress Report of the United Nations Mediator and *endorses* the specific conclusions contained in Part I of that report as providing a practical means of giving effect to the principles contained in the resolution of 29 November 1947 and as a basis for a peaceful settlement of the Palestine question;

3. *Establishes* a Conciliation Commission consisting of (three States Members of the United Nations) which shall have the following functions:

(a) To assume the functions given to the United Nations Mediator on Palestine by the resolution of the General Assembly of 14 May 1948;

(b) To carry out the specific functions and directives given to it by this resolution and such additional functions and directives as may be given to it by the General Assembly or by the Security Council;

(c) To enter into consultations with the Governments and authorities concerned with a view to achievement of a final settlement of all questions outstanding between them, including in particular the questions dealt with in the General Assembly resolution of 29 November 1947 and in Part I, section VIII, paragraph 4 of the Progress Report of the United Nations Mediator on Palestine;

(d) To undertake, upon the request of the Security Council, any of the functions now assigned to the United Nations Mediator on Palestine or to the United Nations Truce Commission by resolutions of the Security Council; upon such request to the Conciliation Commission by the Security Council with respect to all the remaining functions of the United Nations Mediator on Palestine under Security Council resolutions, the office of the Mediator shall be terminated;

4. *Instructions* the Conciliation Commission in pursuance of paragraph 3 (c) above to enter into consultations with the Governments and authorities concerned with a view to delimiting the frontiers in Palestine as part of a final settlement, taking into account the following general considerations, without excluding any territorial settlement mutually acceptable to the parties;

¹ U.N. doc. A/C.1/394/Rev. 1, Nov. 18, 1948.

(a) That there are important elements common to both the resolution of the General Assembly of 29 November 1947 and the Progress Report of the United Nations Mediator on Palestine;

(b) That the delimitation of frontiers in areas not covered by (a) above should be carried out in the light of the general equilibrium envisaged in the resolution of 29 November, the Mediator's comments thereon in paragraph 3 (d) of Part I, Section VIII of his report, and his specific conclusions in paragraph 4 (b) of the same section, with a view to contributing to the peaceful adjustment of difference between the parties;

5. *Endorses* the recommendation contained in paragraph 4 (c) of the Mediator's conclusions concerning the disposition of the territory of Palestine not included within the boundaries of the Jewish State or the City of Jerusalem, and *instructs* the Conciliation Commission, in full consultation with the inhabitants of Arab Palestine, to assist the Governments of the Arab States concerned to arrange for the disposition of this territory in accordance with the aforesaid recommendation;

6. *Resolves* that the Holy Places, religious buildings and sites in Palestine would be protected and free access to them assured, in accordance with existing rights and historical practice; that arrangements to this end should be under effective United Nations supervision; that the United Nations Conciliation Commission in presenting to the fourth regular session of the General Assembly its detailed proposals for a permanent international regime for the territory of Jerusalem should include recommendations concerning the Holy Places in that territory; that with regard to the Holy Places in the rest of Palestine the Commission should call upon the political authorities of the areas concerned to give appropriate formal guarantees as to the protection of the Holy Places and access to them; and that these undertakings should be presented to the General Assembly for approval.

7. *Resolves* that in view of its association with three world religions, the Jerusalem area, as defined in the General Assembly resolution of 29 November 1947, should be accorded special and separate treatment from the rest of Palestine and should be placed under effective United Nations control with the maximum feasible local autonomy for the Arab and Jewish communities; *invites* the Security Council to take further steps to secure the demilitarization of Jerusalem with the least possible delay; and *instructs* the Conciliation Commission

(a) To take all feasible steps to facilitate the effective administration of the area, co-ordinating to the fullest extent possible the organs of self-government and administration of the Arab and Jewish communities of the Jerusalem area,

(b) to report to the Security Council for appropriate action any attempt to interfere with its functions with respect to Jerusalem, and

(c) to present to the fourth regular session of the General Assembly detailed proposals for a permanent international regime for the Jerusalem area.

To assist it in carrying out these functions, the Conciliation Commission is authorized to appoint a United Nations Commissioner for Jerusalem who shall be responsible to the Commission;

8. *Resolves* that, pending agreement on more detailed arrangements among the Governments and authorities concerning, unimpeded access to Jerusalem by road, rail, or air should be accorded to all inhabitants of Pales-

(Continued on page 715)

our new paragraph—it will be essential to authorize the Conciliation Commission to enter into consultations with the parties with a view to the establishment of a final settlement of all questions. It is our belief the scope of the negotiations should include any matters dealt with in the November 29 resolution and in part I, section VIII, paragraph 4, of the mediator's report. It seems clear that there are many questions other than territorial which might be the subject of negotiations, such as Haifa, Lydda, and guaranties of minority rights.

A further duty of the new Conciliation Commission would be to undertake upon the request of the Security Council any of the tasks now assigned to the United Nations mediator or to the United Nations Truce Commission by resolutions of the Security Council presently in effect. During the present transition period in Palestine there may be some overlapping between the existence of a Conciliation Commission and the continuing activities of the United Nations mediator. With the appointment of the Conciliation Commission by the General Assembly, the position of the United Nations mediator will no longer be required to carry out the instructions of the General Assembly. The United Nations mediator should, however, continue the functions which the Security Council has already entrusted to him for such time as the Council considers necessary. It may be envisaged at some near future date, however, that the Security Council may request the United Nations mediator to transfer the functions which he is exercising for it to the new Conciliation Commission. It is believed that such transfer might take place, for example, after the provisions of the Security Council resolution of November 16 have become effective.

The United States Delegation is, therefore, proposing that the third numbered paragraph of the draft resolution of the United Kingdom should be amended as follows:

"3. Establishes a Conciliation Commission consisting of (three States Members of the United Nations) which shall have the following functions:

"(a) To assume the functions given to the United Nations Mediator in Palestine by the Resolution of the General Assembly of 14 May 1948;

"(b) To carry out the specific functions and directives given to it by this Resolution and such additional functions and directives as may be given to it by the General Assembly or by the Security Council;

"(c) To enter into consultations with the governments and authorities concerned with a view to achievement of a final settlement of all questions outstanding between them, including in particular the questions dealt with in the General Assembly Resolution of 29 November 1947 and in Part I, Section VIII, Paragraph 4 of the Progress Re-

port of the United Nations Mediator in Palestine;

"(d) To undertake, upon the request of the Security Council, any of the functions now assigned to the United Nations Mediator in Palestine or to the United Nations Truce Commission by resolutions of the Security Council; upon such request to the Conciliation Commission by the Security Council with respect to all the remaining functions of the United Nations Mediator in Palestine under Security Council resolutions, the office of the Mediator shall be terminated";

We do not believe that our amendment is in basic conflict with the third numbered paragraph of the draft resolution. Our amendment is merely more specific and contains the general and specific framework of instructions for the guidance of the Conciliation Commission.

The Committee will note that the content of the fourth numbered paragraph of the United Kingdom draft resolution has been included in paragraph 3 (D) of our amendment. It would appear, therefore, that the United Kingdom paragraph might be deleted.

With regard to the fifth numbered paragraph of the United Kingdom draft resolution, the United States Delegation suggests that in line with our proposed amendment calling upon the parties to negotiate, the Conciliation Commission should be instructed to enter into consultation with the governments and authorities concerned with a view to delimiting the frontiers in Palestine, taking into account the following general considerations without excluding any territorial arrangements mutually acceptable to the parties:

A. That there are important elements common to both the resolution of November 29 and the mediator's report.

B. That certain modifications in the territorial arrangements of the resolution of November 29 should be considered through negotiations taking into account part I, section VIII, paragraph 4 (B), of the progress report of the United Nations mediator in so far as it may contribute to a peaceful adjustment of differences between the parties.

As I stated on November 20: "We must decide point by point whether we are to seek a basis of agreement among the parties or whether we shall try to fix boundaries at this session of the Assembly." We are of the opinion that this function should be left to the Conciliation Commission, which, under this resolution as amended, could assist the parties in reaching an agreement with regard to a territorial settlement.

The United States Delegation also reaffirmed on November 20 that "the United States approves the claims of the state of Israel to the boundaries set forth in the United Nations resolution of November 29, and considers that modifications thereof should be made only if fully acceptable to the state

of Israel. This means that reductions in such territory should be agreed by Israel. If Israel desires additions, it would be necessary for Israel to offer an appropriate exchange through negotiations."

It may be noted in this connection that the November 29 resolution contemplated that almost all of the Negeb would go to the state of Israel and it contemplated that Jaffa and western Galilee would go to an Arab state. If, as now seems probable, there are to be agreed readjustments of the November 29 boundaries, there should, on the part of all concerned, be a fair measure of reciprocity and mutual interest.

There are certain features of the frontiers which are common both to the November 29 resolution of the Assembly and to the mediator's report. There are other features in which the Assembly resolution and the mediator's report differ. From statements made before this committee it is evident that serious differences exist among the interested parties on this subject. We believe that these points of difference ought to be settled by processes of negotiation and conciliation and that the Conciliation Commission can play a valuable role in assisting the parties in a final delimitation of frontiers. In this connection, my Delegation considers that, to the extent that the boundaries of the November 29 resolution need modification, the report of the mediator provides a useful basis for renewed efforts on the part of the United Nations to bring about the necessary adjustments.

The United States Delegation proposes that the fifth numbered paragraph of the United Kingdom draft resolution be amended to read as follows:

"4. Instructs the Conciliation Commission in pursuant of paragraph 3 (c) above to enter into consultations with the governments and authorities concerned with a view to delimiting the frontiers in Palestine, taking into account the following general considerations, without excluding any territorial settlement mutually acceptable to the parties;

"(a) that there are important elements common to both the Resolution of the General Assembly of 29 November 1947 and the Progress Report of the United Nations Mediator in Palestine;

"(b) that certain modifications in the territorial arrangements of the General Assembly Resolution of 29 November 1947 should be considered taking into account Part I, Section VIII, Paragraph 4 (b) of the Progress Report of the United Nations Mediator in so far as it may contribute to a peaceful adjustment of differences between the parties;"

Through our amendments to the third and fifth numbered paragraphs of the United Kingdom draft resolution we believe that the resolution as a whole has been strengthened, and that the second

numbered paragraph as proposed by the United Kingdom Delegation is not essential.

The United States Delegation supports the sixth numbered paragraph of the United Kingdom draft resolution as providing a means whereby the disposition of the territory of Palestine not included within the boundaries of the Jewish state or the City of Jerusalem may be accomplished.

The seventh numbered paragraph of the United Kingdom resolution deals with the Holy Places, a subject in which the interest of my Government has frequently been evidenced in the debates in the General Assembly. We believe that the phraseology suggested in this seventh numbered paragraph is satisfactory for the accomplishment of the objectives which we desire to obtain.

The United States Delegation supports the eighth numbered paragraph of the United Kingdom draft resolution. Under this provision the Conciliation Commission is instructed to take all feasible steps to facilitate the effective administration of the Jerusalem area, and in so doing to coordinate to the fullest extent possible the organs of self-government and administration of the Arab and Jewish communities. The Commission is authorized to appoint a United Nations Commissioner for Jerusalem to assist it in carrying out this task. This portion of the resolution provides further that the Conciliation Commission shall present to the fourth regular session of the General Assembly detailed proposals for a permanent international regime for the Jerusalem area. We do not believe that a more ambitious program should be attempted at this time. During the course of the coming year full consideration can be given to the difficult problems of the maintenance of law and order in Jerusalem and the cost of administration. It is also our hope that during the coming year political stability in the Palestine area will be achieved to the degree that the responsible authorities of the Arab and Jewish communities can contribute far more than they could today to the operation of a special regime for Jerusalem. It is our belief that the Jerusalem area should be integrated, in so far as is consistent with its special international character, with the people and institutions of the remainder of Palestine. My Delegation considers that the General Assembly at its fourth session will be able to make lasting decisions with regard to an international regime for Jerusalem as a result of the proposals which the Conciliation Commission will present at that time.

The ninth numbered paragraph of the United Kingdom draft resolution contains an important concept with regard to access to Jerusalem and has our full support.

The tenth numbered paragraph of the same draft resolution is a restatement of the principle of territorial integrity contained in the Charter,

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and has our full support in the belief that it will provide reassurance to the governments and authorities concerned with regard to frontiers in Palestine established through negotiations.

The eleventh numbered paragraph of the United Kingdom resolution with regard to Arab refugees has our full support in that it endorses a principle which all of us recognize and provides a means whereby this principle may be implemented.

It is our view, however, that reference need not be made in the resolution itself to the highly technical question of compensation for losses incident to the recent fighting in Palestine. This problem can be far better dealt with in detail by the parties concerned, perhaps with the assistance of a claims commission, having regard to the suggestions made in the mediator's progress report. The Conciliation Commission under this resolution will be available to the parties for consultation in working out this problem. We are, therefore, submitting an amended paragraph which will be substituted for paragraph 10, which we do not believe is necessary. The amended paragraph reads:

"10. *Resolves* that the Arab refugees wishing to return to their homes and live at peace with their neighbors should be permitted to do so at the earliest possible date and that adequate compensation should be paid for the property of those choosing not to return; and instructs the Conciliation Commission to facilitate the repatriation, resettlement, and economic and social rehabilitation of the Arab refugees and the payment of compensation;"

The administrative and procedural arrangements set forth in paragraphs 12, 13, 14, and 15 of the United Kingdom draft appear to us to be sound, and we therefore support these paragraphs also.

The various amendments suggested by my Delegation have been submitted to the Secretary, and have been distributed to the members of the Committee for their consideration. We hope that they will be helpful in assisting the committee to reach a final and valuable conclusion to its consideration of this important item.

DISCUSSION OF PALESTINE QUESTION IN THE SECURITY COUNCIL: RESOLUTION

ESTABLISHING AN ARMISTICE¹

The Security Council

REAFFIRMING its previous resolutions concerning the establishment and implementation of the Truce in Palestine and, recalling particularly its Resolution of 15 July 1948 which determined that the situation in Palestine constitutes a threat to the peace within the meaning of Article 39 of the Charter;

TAKING NOTE that the General Assembly is continuing its consideration of the future government of Palestine in response to the request of the Security Council of 1 April 1948 (document S/714);

WITHOUT PREJUDICE to the actions of the Acting Mediator regarding the implementation of the Resolution of the Security Council of 4 November 1948;

¹ U.N. doc. S/1080, Nov. 17, 1948; adopted by the Security Council on Nov. 16, 1948.

Decides that, in order to eliminate the threat to the peace in Palestine and to facilitate the transition from the present Truce to permanent peace in Palestine, an armistice shall be established in all sectors of Palestine;

Calls upon the parties directly involved in the conflict in Palestine, as a further provisional measure under Article 40 of the Charter, to seek agreement forthwith, by negotiations conducted either directly or through the Acting Mediator on Palestine, with a view to the immediate establishment of the Armistice including:

(a) the delineation of permanent armistice demarcation lines beyond which the armed forces of the respective parties shall not move;

(b) such withdrawal and reduction of their armed forces as will ensure the maintenance of the armistice during the transition to permanent peace in Palestine.

Discussion of the Membership Problem

STATEMENT BY BENJAMIN V. COHEN IN AD HOC POLITICAL COMMITTEE¹

U.S. Delegate to the General Assembly

The problem now before us is a familiar one to the members of this Committee. For the third year we are confronted with a situation where a number of applicant states which the General Assembly regards as fully qualified for membership are denied admission because of a veto exercised by one of the permanent members of the Security Council. In our view the United Nations was intended to represent a world community of peace-loving, law-abiding states. It was not intended to be a mere alliance among the original members to which they would admit other members only as it suited their desires or special interests.

It is not necessary to review in detail the discussions on this subject in the Security Council and in this Committee of the General Assembly. In the Security Council every effort to secure a recommendation for the admission of qualified member states has been frustrated by the repeated use by the Soviet Union of its power to veto. In most instances no explanation for these vetoes has been offered which can reasonably be deemed valid under the provisions of article 4 of the Charter or within the purposes and principles of the Charter. Soviet Representatives have gone far outside the Charter to find reasons for their action. They have maintained that states lacking diplomatic relations with the U.S.S.R., or states whose behavior during the war might not have been fully satisfactory to the U.S.S.R., were not, on these grounds, qualified for membership. And when the Security Council considered and reconsidered the application of Italy in 1947, a favorable recommendation on the admission of that state was blocked by the Soviet Union for a reason which had nothing whatever to do with the qualifications of Italy for membership: namely, because of Soviet insistence on making the admission of Italy dependent on the acceptance of other states not qualified in the opinion of the Security Council for membership. Thus, the Italian Government and people, through no fault of their own, have been denied the representation in this Organization to which they are fully entitled.

In an attempt to remedy this situation, the General Assembly at its last regular session adopted

a series of eight resolutions on the membership problem. Five of these resolutions recorded the view of the General Assembly that five of the applicants—Ireland, Portugal, Transjordan, Italy, and Finland—are qualified for, and should be admitted to, membership in the United Nations, and that opposition to their admission has been based on grounds not included in article 4 of the Charter. A sixth resolution expressed the Assembly's opinion that Austria is a peace-loving state within the meaning of article 4 and, in the case of Austria as in the other five cases, the General Assembly requested the Security Council to reconsider the applications of the states concerned in the light of the Assembly's views.

The seventh and eighth resolutions adopted by the General Assembly envisaged other action which might be taken to break the deadlock on the admission of applicant states to the Organization. One recommended that the permanent members of the Security Council engage in consultations with a view to reaching agreement on the admission of new members. A fruitless consultation did take place in April 1948. The other resolution requested the International Court of Justice to render an advisory opinion on certain questions of law which arose as a result of the Soviet effort to refuse the admission of qualified applicants unless certain other candidates were accepted.

Since these resolutions were passed, and in part pursuant to their terms, a number of additional developments have taken place.

First, shortly before the second special session

¹ Made on Nov. 22, 1948, and released to the press by the U.S. Delegation to the third regular session of the General Assembly on the same date. The *ad hoc* Political Committee, upon which all members are represented, was established by the General Assembly on Nov. 15 to consider and report on certain items from among those referred to Committee 1 by the General Assembly. Items to be referred to the *ad hoc* Committee are: report of the Security Council; admission of new members; the problem of voting in the Security Council; advisability of establishing a permanent committee of the General Assembly; study of methods for the promotion of international cooperation in the political field; and United Nations guard (an item proposed by the Secretary-General).

of the General Assembly last April, the applications of Italy and the other applicant states were reconsidered in the Security Council at the initial instance of the Representatives of France, the United Kingdom, and the United States. Again there was a Soviet veto.

Second, the Security Council last summer considered for the first time an application from Ceylon. Nine members of the Security Council agreed that Ceylon was an independent state which fulfilled the conditions for membership in the United Nations. But again, the admission of a qualified applicant was prevented by a Soviet veto.

Third, the International Court of Justice, in response to the Assembly's request for an advisory opinion, held on May 28, 1948, that a member of the United Nations is not juridically entitled to make its consent to the admission of an applicant state dependent on conditions not expressly provided for by paragraph 1 of article 4 of the Charter:

" . . . and that, in particular, a Member of the Organization cannot, while it recognizes the conditions set forth in that provision to be fulfilled by the state concerned, subject its affirmative vote to the additional condition that other States be admitted to membership in the United Nations together with that State."

The situation today appears, therefore, to have reached an impasse. On the one hand, we see the U.S.S.R. firm and unyielding in its determination to prevent the admission of duly qualified states to the United Nations, on grounds which are to us unconvincing. On the other hand, we see the majority of the membership of the Security Council and of the General Assembly standing powerless before the Soviet veto. This great majority of the Members of the United Nations is confirmed in its position by the advisory opinion handed down by the proper international tribunal. In the circumstances, it is hardly surprising that members of this Assembly should express their deep concern at this willful and continued frustration of the majority's desire to take action necessary to give a moral basis to the right of the United Nations to speak for the world community of nations.

The United States fully appreciates the strength of this sentiment in the General Assembly. It is sympathetic to the desire for remedial action. On September 17, 1947, the Secretary of State of the United States declared that, for its part, the United States was willing to accept, by whatever means might be appropriate, the elimination of the unanimity requirement with regard to the admission of new members. The United States has maintained this position in the studies undertaken by the Interim Committee on the question of voting in the Security Council.

Furthermore, my Delegation stated at the last

regular session of the Assembly that it would not exercise its right of veto in the Security Council to exclude from the United Nations any of the applicants then under consideration which the Assembly determined to be qualified for membership.

I call attention to these points because they still represent the policy of the United States.

The basic question before us here is what the United Nations can do to contend with the existing situation. In our view, there are several steps which the Assembly might usefully take at this juncture.

1. It might take note of the advisory opinion of the International Court of Justice and call it to the attention of the Security Council and of member states as an authoritative determination of the rights and duties of members in voting under article 4 of the Charter. The General Assembly might also express the view that the Court's conclusions should be applied in the consideration of membership applications.

2. The General Assembly might reaffirm the General Assembly resolutions of 1947 requesting reconsideration by the Security Council of the applications of Transjordan, Ireland, Portugal, Italy, Finland, and Austria, and might request renewed consideration of these applications in the light of the advisory opinion of the International Court of Justice.

We note that the Delegation of Australia has introduced resolutions in this sense with regard to all of these countries except Austria. We will support these resolutions. The United States will itself introduce a resolution requesting reconsideration of the application of Austria as it did last year. We consider Austria to be fully qualified for membership. We ask that Austria's application should be reconsidered and approved.

Certain other proposals for action by the General Assembly will undoubtedly be made in the course of this debate. The Representative of Argentina has, as you know, placed on the agenda a proposal that the General Assembly admit to membership Italy and every other applicant state which has received seven or more affirmative votes in the Security Council.

It seems clear that the underlying purpose of the Argentine Government in making this proposal is to express dissatisfaction with Soviet obstruction of the admission of qualified applicants. The United States, of course, shares that dissatisfaction. The United States has attempted to reach agreement with all the permanent members of the Security Council on procedures which would bring to an end the stalemate on this question. We are continuing our efforts to reach that objective.

But while we seek a purpose identical with that

of the Argentine Representative, we are regretfully forced to part company with him as regards the method of procedure which he appears to advocate. Last year there was a thorough discussion in this Committee of Dr. Arce's views on the constitutional history of the process of the admission of new members to the United Nations. At that time, we gave careful consideration to the position which he presented.

We felt then, and we continue to feel, that the evidence conclusively supports the view that the General Assembly cannot admit a state without a prior recommendation of the Security Council. Both the legislative history of the drafting of article 4 of the Charter, and the practical construction given to this article by the General Assembly and the Security Council in the adoption of their rules of procedure and in their action on membership applications, support this thesis.

Our Delegation cannot disregard this weight of evidence and experience. It cannot agree to any action of the General Assembly which it does not consider valid and proper under the Charter.

In this connection it is appropriate to take note of the proposal contained in the report of the Interim Committee that in considering membership applications in the Security Council, the permanent members agree that a recommendation on the admission of an applicant state shall be made by the vote of any seven members of the Council. In the opinion of my Delegation, this suggestion represents perhaps the most promising method now available for dealing with the problem with which we are confronted. It provides a fair means of accommodation. It involves no dictation on the part of any state or group. It requires only a decent respect for the aggregate opinion of the world community.

Other suggestions may be made in this Committee looking toward the admission of all the present applicant states with a view to insuring that all states may become members of the Organization. We would agree generally that universality of membership is a highly desirable and proper objective. We know from experience that the United Nations cannot function with greatest effectiveness unless all properly qualified states are cooperating in its work.

Our own willingness to accept the judgment of any seven members of the Security Council as to the qualifications of applicant states for membership is evidence of our desire for a broadly universal representation of states in the Organization. It is indicative of our hope that, through discussion in the Security Council and in the General Assembly, the members of the Organization may reach a better understanding of the common requirements for membership. This is the road along which the United Nations can travel toward

the broadest possible association of sovereign states. It is the road along which the United Nations must travel if it is to act effectively in the name and on behalf of the world community of nations.

This does not mean that we need or should ignore the rudimentary requirements of article 4 as essential conditions of membership. To be admitted into the organized community of nations, states should, by their conduct prior to admission, give proof of their readiness and willingness to eschew force as an instrument of national policy, to have regard and respect for the laws of nations, and to assist in their development and enforcement. Any state which possesses the essential attributes of statehood can readily conform its policies to the requirements of article 4. But such requirements, rudimentary as they are, are not satisfied by paper assurances that, as of the date of its admission, an applicant state will accept the obligations contained in the Charter. The Organization is entitled to greater proof than this that applicants will fulfil the obligations of membership.

Let those states regarding whose admission the majority of the Security Council and the General Assembly have doubts give tangible proof of their desire for membership.

Let the Mongolian People's Republic open its doors to the outside world sufficiently to permit a real establishment of the facts regarding its independence.

Let Albania and Bulgaria cease their assistance to the guerrilla forces in Greece in accordance with the terms of the General Assembly resolutions in the Greek question. Let Bulgaria, Rumania, and Hungary observe the provisions of their treaties of peace by abolishing the repressive, tyrannical practices of their Governments. These treaty provisions insuring respect for human rights and fundamental freedoms are not old and obsolete provisions from old and obsolete treaties. They are the provisions incorporated in the peace treaties to carry out the solemn promises made to the peoples of these countries by the Allied powers before the end of the war. The callous disregard and flagrant violations of these treaties by governments seeking admission into the United Nations cannot be ignored.

If action is taken to remedy these difficulties, the serious doubts regarding these states entertained by our Delegation—and, I believe, by most of the other Delegations here present—might be minimized, and their admission to membership accepted. Let me assure the Assembly that the United States would not stand in the way of the admission of any applicant if it were satisfied that it was qualified for membership. We will do our part to make the United Nations truly representative of the world community of peace-abiding, law-abiding nations.

Resolution on Reduction by One Third of Armaments and Armed Forces¹

The General Assembly,

DESIRING to establish relations of confident collaboration between the States within the framework of the Charter and to make possible a general reduction of armaments in order that humanity may in future be spared the horrors of war and that the peoples may not be overwhelmed by the continually increasing burden of military expenditure;

CONSIDERING that no agreement is attainable on any proposal for the reduction of conventional armaments and armed forces so long as each State lacks exact and authenticated information concerning the conventional armaments and armed forces of other States, so long as no convention has been concluded regarding the types of military forces to which such reduction would apply, and so long as no organ of control has been established;

CONSIDERING that the aim of the reduction of conventional armaments and armed forces can only be attained in an atmosphere of real and lasting improvement in international relations, which implies in particular the application of control of atomic energy involving the prohibition of atomic weapons;

BUT NOTING on the other hand that this renewal of confidence would be greatly encouraged if

States were placed in possession of precise and verified data as to the level of their respective conventional armaments and armed forces;

Recommends the Security Council to pursue the study of the regulation and reduction of conventional armaments and armed forces through the agency of the Commission for Conventional Armaments in order to obtain concrete results as soon as possible;

Trusts that the Commission for Conventional Armaments, in carrying out its plan of work, will devote its first attention to formulating proposals for the receipt, checking and publication, by an international organ of control within the framework of the Security Council, of full information to be supplied by Member States with regard to their effectives and their conventional armaments;

Invites the Security Council to report to it no later than its next regular session on the effect given to the present recommendation with a view to enabling it to continue its activity with regard to the regulation of armaments in accordance with the purposes and principles defined by the Charter;

Invites all nations in the Commission for Conventional Armaments to co-operate to the utmost of their power in the attainment of the above-mentioned objectives.

Resolutions of the United Nations Special Committee on the Balkans¹

Appointing Conciliators To Meet With Albania, Yugoslavia, Bulgaria, and Greece²

The First Committee

HAVING IN MIND paragraph 5 (1) of Resolution 109 (II) by which the General Assembly called upon Albania, Bulgaria and Yugoslavia on the one hand and Greece on the other to co-operate in the settlement of their dispute by peaceful means, and to that end recommended that they establish normal diplomatic and good neighbourly relations among themselves as soon as possible;

HAVING IN MIND that representatives of the Gov-

ernments of Albania, Bulgaria, Greece and Yugoslavia are present in Paris during this session of the General Assembly;

NOTING that the United Nations Special Committee on the Balkans unanimously recommended that the General Assembly consider ways and means of obtaining the co-operation of Albania, Bulgaria and Yugoslavia with the Special Committee;

Asks the President of the General Assembly, the Secretary-General, the Chairman and the Rapporteur of the First Committee to act in the capacity of conciliators jointly to convene immediately in Paris a meeting of representatives of the Governments of Albania, Bulgaria, Greece and Yugoslavia to explore the possibilities of reaching agreement amongst themselves as to the methods and procedure to be adopted with a view to resolving present differences between them.

¹ U.N. doc. A/C.1/393, Nov. 15, 1948, draft resolution adopted by Committee I on Nov. 13, 1948.

² U.N. doc. A/C.1/385, Nov. 11, 1948; adopted by Committee I on Nov. 10 and by the General Assembly on Nov. 27, 1948.

Continuing UNSCOB

The draft resolution by China, France, the United Kingdom, and the United States presented to Committee I and printed in the *BULLETIN* of November 21, 1948, p. 635, was adopted by the General Assembly on November 27, 1948, except for the changes in the following paragraphs indicated in italic:

8. Calls upon Albania, Bulgaria and Yugoslavia to co-operate with the Special Committee in enabling it to carry out its functions, *in particular the function of being available to assist the Governments concerned in accordance with article 10 (c) of this resolution,*

10. (c) To continue to be available to assist the Governments of Albania, Bulgaria, Greece and

Yugoslavia in the implementation of Resolution 109 (II) and of the present Resolution; *and for this purpose, in its discretion to appoint, and utilize the services and good offices of one or more persons whether or not members of the Special Committee.*

11. Decides that the Special Committee shall have its principal headquarters in Greece, and with the co-operation of the Government or Governments concerned, shall perform its functions in such places as it may deem appropriate for the fulfilment of its mission.

12. Text of paragraph 11 of the draft becomes No. 12.

13. Text of paragraph 12 of the draft becomes No. 13.

The United States in the United Nations**Berlin Currency**

The United States, Great Britain, France, and the Soviet Union have accepted a proposal that neutral experts study Berlin's currency and trade problems with a view to recommending possible settlement of the controversy which has caused the Western powers to complain that the Soviet-imposed land blockade threatens world peace.

Juan A. Bramuglia of Argentina who, as president of the Security Council during November, initiated efforts of the council's six member nations which are not parties to the Berlin dispute to find a solution, reported that the U.S.S.R. had accepted his proposal for a 30-day survey.

Earlier, the United States, Great Britain, and France made public their official acceptance in a statement welcoming the plan for a neutral study and pledging continued cooperation in attempts to solve the Berlin problem, while reserving their position on the study's outcome.

In a joint reply to President Bramuglia, the Western powers reaffirmed their right to take such measures as may be necessary to maintain their position in Berlin pending outcome of the proposed currency and trade study.

Pointing to the Soviet Union's tactics which have split Berlin into two cities, the three Western powers stressed that they would have to consider any resolution which might be submitted to the Security Council as a result of the general circumstances prevailing at that time.

"The three western powers cannot agree that they should be bound to submit to all Soviet measures which add to and intensify the Soviet blockade or which interfere with the city administra-

tion, while the Soviet remains wholly uncommitted to any restraint", the joint reply notified Mr. Bramuglia, adding, "The three governments therefore repeat the reservation of their right, declared to the Security Council when the Berlin question was submitted to that body, 'to take such measures as may be necessary to maintain in these circumstances their position in Berlin' pending the outcome of the further efforts of the President of the Security Council".

"Little Assembly"

The General Assembly in plenary session on December 3 voted to extend the life of its Interim Committee for a second experimental year. The vote was 40 to 6, the Soviet bloc comprising the opposition.

Boycotted by the Soviet-bloc nations since its inception, the Interim Committee, the so-called Little Assembly, was set up to provide continuity of work between the regular sessions of the Assembly. This action enables the Committee to continue operations at Lake Success through 1949, studying problems relating to the maintenance of peace and security, conducting investigations, and helping the General Assembly in its work. The Interim Committee was given the added power of seeking advisory opinions of the International Court of Justice, but was again expressly forbidden to consider matters before the Security Council.

Arguments by the Soviet-bloc delegates against extension of the Little Assembly, on the grounds that it was an attempt to circumvent the Security Council and its unanimity rule failed to influence

December 5, 1948

the General Assembly. These nations have indicated that they will again refuse to participate in the Interim Committee.

Israeli Membership

The Security Council on December 2 referred to its membership committee Israel's application for admission to the United Nations. The United Kingdom served notice immediately that it would purpose in committee a deferment of action on the application, and Syria expressed a similar view. France and Canada also suggested that the membership committee should await the final recommendations of the Political and Security Committee regarding a permanent settlement of the Palestine problem before passing on the admission request.

Meanwhile, on December 4, Committee I passed a resolution establishing terms of reference for a Conciliation Commission.

Indonesia

The Security Council's Good Offices Committee in the Indonesian dispute reported on December 2 that direct talks now commencing between Netherlands and Indonesian Republic Representatives are a "serious and possibly final attempt" to resolve the political issues between the two parties.

The Committee informed the Security Council that there is a possibility of a general breakdown in the current truce in Indonesia as a result of the delay in achievement of a political settlement. The truce was agreed to by both parties last January in the Renville agreements which called for the parties to conduct further negotiations for an agreement covering Indonesia's political future. The Committee was instrumental in achieving the truce and has worked since then to encourage a political settlement.

The Committee pointed out that the delay in working out a settlement has stalled economic rehabilitation in Indonesia as a whole, particularly in Republican areas, increasing their political diffi-

culties. No political negotiations under Good Offices Committee auspices have taken place since the end of last May.

The report noted that the Netherlands Representatives have been reluctant to consider proposals put forward by U.S. and Australian members of the Good Offices Committee, who, along with a Representative of Belgium, comprise the three-nation conciliation group.

Freedom of Information

The United States and eight other countries (the Philippine Republic, China, the Netherlands, Bolivia, Sweden, Denmark, France, and Argentina) have submitted a resolution to the General Assembly calling for the convening of a second Conference on Freedom of Information at Lake Success.

The proposed Conference would have as its sole purpose the review of the three draft conventions and their submission to governments concerned for accession and ratification. All nations represented at the first meeting would be invited to send delegates to the Lake Success meeting.

The conventions were drawn up at Geneva in April 1948. They include one on gathering and international transmission of news, another on international right of official correction, and a third, and more general one, on freedom of information.

Italian Colonies

With adjournment of the current Assembly session tentatively set for December 11, final action this year by the United Nations on disposition of the former Italian colonies is deemed unlikely.

The colonies issue was automatically referred to the Assembly this year, according to the terms of the Italian peace treaty, when agreement was not obtained by the Council of Foreign Ministers.

Referred, in turn, to the Political and Security Committee, discussion of the colonies question may begin following completion by the Committee of work on the Palestine issue.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

Adjourned during November 1948

	Site	Date
ILO (International Labor Organization):		
Industrial Committee on Textiles: Second Session	Geneva	Oct. 26-Nov. 5
Industrial Committee on Petroleum: Second Session	Geneva	Nov. 9-19
Preparatory Conference of Labor Inspection in the Asian Countries	Kandy, Ceylon	Nov. 15-20
WHO (World Health Organization):		
Second Session of Executive Board	Geneva	Oct. 25-Nov. 15
Expert Committee on International Epidemic Control	Geneva	Nov. 17-21
Fourth Pan American Consultation on Cartography	Buenos Aires	Oct. 12-Nov. 14
Second Meeting of South Pacific Commission	Sydney	Oct. 25-Nov. 2
GATT (General Agreement on Tariffs and Trade): Meeting of Committee on Special Exchange Arrangements.	London	Nov. 1-8
FAO (Food and Agriculture Organization):		
Fourth Session of Council	Washington	Nov. 8-13
Fourth Session of Annual Conference	Washington	Nov. 15-
IMO (International Meteorological Organization): Meeting of Regional Commission for Asia.	New Delhi	Nov. 10-17
Empire Parliamentary Association	Hamilton, Bermuda	Nov. 15-24
Second Inter-American Congress on Brucellosis	Mendoza, Argentina	Nov. 17-26

In Session as of December 1, 1948

United Nations:		
General Assembly: Third Session	Paris ²	Sept. 21-
Ecosoc (Economic and Social Council): Economic Commission for Asia and the Far East	Glenbrook, Australia	Nov. 29-
German External Property Negotiations With Portugal (Safehaven) .		
Lisbon		Sept. 3-
ITU (International Telecommunication Union):		
Provisional Frequency Board	Geneva	Jan. 15-
International Conference on High Frequency Broadcasting	Mexico City	Oct. 22-
Bolivian International Fair	La Paz	Oct. 20-
ILO (International Labor Organization):		
Joint Maritime Commission	Geneva	Nov. 25-
Governing Body: 107th Session	Geneva	Nov. 29-
UNESCO (United Nations Educational, Scientific and Cultural Organization): General Conference: Third Session.	Beirut	Nov. 17-
ICAO (International Civil Aviation Organization): Southeast Asia Regional Air Navigation Meeting.	New Delhi	Nov. 23-
Intergovernmental Maritime Consultative Organization: Meeting of Preparatory Committee.	Lake Success	Nov. 30-

Scheduled for December 1, 1948

West Indian Conference: Third Session		
Guadeloupe		Dec. 1-
Seventh Meeting of the Caribbean Commission		
Guadeloupe		Dec. 1-
First Pan American Congress of Pharmacy		
Habana		Dec. 1-8
IRO (International Refugee Organization): Meetings of Executive Council.		
Rome		Dec. 7-10

¹ Prepared in the Division of International Conferences, Department of State.

² During the Third Session of the General Assembly, the Security Council is meeting in Paris.

Meeting of Fourth Session of the Food and Agriculture Organization

ADDRESS BY PRESIDENT TRUMAN¹

I am delighted to be here this afternoon and to have this opportunity of meeting with the Delegates to the Fourth Session of the Food and Agriculture Organization of the United Nations. There could be no more appropriate time for the United States to be host to a United Nations meeting than during our cherished Thanksgiving holiday.

Those of you of the Food and Agriculture Organization know the importance to nearly all nations of the harvest-time celebration. We in the United States are only one of many peoples who celebrate the gathering of the harvest each year. Other peoples have been celebrating in their own way since ancient times. But there is one feature of our Thanksgiving celebration to which I should like to call your attention.

Our Thanksgiving traditions were begun by some of the earliest settlers of this country. They thought of the Thanksgiving holiday as much more than an occasion for a big dinner, and for thanks to God that the earth had produced an abundant harvest. There was another spirit behind the first Thanksgiving dinner. The colonists invited the Indians to join with them in their celebration. Around that first Thanksgiving table, differences were forgotten, and enemies became friends.

This year our harvest is greater than it has ever been. We have much to be thankful for.

But thanks for a record-breaking harvest is only the beginning of our Thanksgiving, just as it was only a part of Thanksgiving more than 300 years ago. The real spirit of our holiday is in the sharing of this harvest, and in a feeling of warm friendship and good will for others less fortunate.

That is the same spirit in which the Food and Agriculture Organization has brought many nations together.

I know that FAO has many problems ahead of it. Perhaps I should say that the world has many food problems ahead of it, and the peoples of the world are counting on FAO for a major part of the work in solving those problems.

One of the first and most difficult problems is the rebuilding of nations which suffered heavily during the war.

We are making a great deal of headway through

the combined efforts of many nations in the European Recovery Program.

But rebuilding countries that were once self-supporting and prosperous is not nearly so difficult as building up the economies of countries where there is comparatively little to build on. Underdeveloped countries offer a challenge to the ingenuity of those nations which have greater resources.

FAO has clearly recognized the importance of this problem and the responsibility of all countries in helping to solve it.

We have found our Agricultural Extension Service essential to a high level of farm production in our own country. Through our Extension Service, we make sure that our farmers learn about the latest advances in production techniques. This means furnishing practical information and help right on the farm. I know that FAO is already interested in an extension service, but I wish to emphasize that the United States stands ready to help in developing such systems in other countries.

Here in the United States, we have also learned that financial credit is as much a tool of farm production as is a plow, or a bushel of seed. Our system for making agricultural credit available to farmers is one of the keystones of our great farm program. It protects every farmer in the ownership of his land and in the planting of his crops. That is why we have such hopes for the role that another international agency can play in building up the agricultural resources of underdeveloped countries. I refer to the International Bank. The credit needs of underdeveloped countries are great, however, and there is room for all kinds of help. This is a job for private lenders and cooperatives as well as for government institutions.

The achievement of our world goal of abundant food will mean an enlarged flow of commerce in all directions.

An abundant food supply will tear down many artificial trade barriers. Some of these barriers have been erected by those who hoped for protection against low commodity prices elsewhere, but this short-sighted move has led to a slow form of trade strangulation. We must look to food as a common tool for lowering such barriers. We must look to it as a sort of international language for modifying some of the short-sighted policies which have been hampering the commerce of the world.

A few months ago, I urged the Congress of the United States to ratify the international wheat

¹ Made before the Fourth Session of FAO in Washington on Nov. 24, 1948, and released to the press by the White House on the same date.

agreement which would have stabilized the price and volume of wheat in world trade for five years. Many of the nations represented here today participated in that agreement, and many of your delegates are familiar with its provisions. I regret that this agreement was not ratified, but I pledge that if another one can be negotiated, I will send it to the new Congress, which convenes in January, for approval.

Moreover, I look to the general pattern of the wheat agreement as one which might be followed for other commodities. Stability is one of the foundations of peace. National emotions too often rise and fall with changes in commodity prices. We are counting on the Food and Agriculture Organization to remove some of the instability from farm production and farm prices around the world, and thus to remove some of the causes of international friction.

The United States is happy to join with other countries in FAO in giving freely of our technical experience and knowledge in the job of agricultural improvement—making grass grow where it never grew before, irrigating dry land, developing crops for special purposes, and combating crop plagues and pests. I can promise you that this country will continue to send its experts wherever FAO believes they are needed.

U.S. Delegations to International Meetings

First Pan American Congress of Pharmacy

The Department of State announced on November 23 that Robert Philipp Fischelis, Secretary of the American Pharmaceutical Association, has been named Chairman of the United States Delegation to the First Pan American Congress of Pharmacy. The Congress is scheduled to be held at Habana December 1-8, 1948.

Delegates

George F. Archambault, Chief, Pharmacy Section, Hospital Division, Bureau of Medical Services, U.S. Public Health Service, Federal Security Agency
 Cmdr. William Paul Briggs, MSC, Head, Pharmacy Section, Professional Division, Bureau of Medicine and Surgery, Department of the Navy
 Don Francke, Editor, Bulletin of the American Society of Hospital Pharmacists, and Chief Pharmacist of the University of Michigan Hospital
 Edward Burns Geiger, Chief, Pharmacy Division, Department of Medicine and Surgery, Veterans Administration
 Col. Othmar Frank Gorlup, MSC, Chief, Medical Service Corps, Department of the Army
 Ernest Little, President of the American Pharmaceutical Association
 Justin Lawrence Powers, Editor, Scientific Edition of the Journal of the American Pharmaceutical Association

The main objectives of the Pharmacy Congress are to stimulate interchanges and contributions to

One of the ways to restore stability to the world is to produce plenty of food and see that it is distributed fairly.

Hunger has no nationality.

Abundance should have none, either.

I hope that every country, old or new, will become a member of the Food and Agriculture Organization. I should like to see that large agricultural country, Argentina, become a member. I wish that the Soviet Union would also join. I think that if we could discuss with the Russians our mutual interest in agriculture, it would not be so difficult to discuss our differences in some other fields. It is most heartening that several Eastern European nations are members of FAO. I hope this will continue to be true.

I am very glad to learn that so many delegates to this session have accepted the invitations of farm families near Washington to share their Thanksgiving dinners tomorrow. This is the kind of simple, human experience which makes for lasting international good will.

I hope that you will carry back to your homes our Thanksgiving spirit of thanks to God and good will to men, and I know that your American hosts will be the richer for having had you as their guests. From these solid foundations of personal friendship and understanding, we can go on to build the kind of peaceful world we all want.

both scientific and industrial pharmaceutical progress and to intensify relations and exchange of information among the pharmaceutical organizations of the Americas.

This meeting has been organized by the Asociación Farmacéutica Nacional (National Pharmaceutical Association, of Cuba) in cooperation with a number of Cuban scientific and social organizations, both private and official.

Fourth Session of the Economic Commission for Asia and the Far East

The Department of State announced on November 26 that Myron M. Cowen, American Ambassador to Australia, has been designated as Chairman of the United States Delegation to the Fourth Session of the Economic Commission for Asia and the Far East, which will begin at Lapstone, New South Wales, Australia, on November 29.

ECAFE is one of the three regional economic commissions of the United Nations Economic and Social Council, the other two being the Economic Commission for Europe and the Economic Commission for Latin America.

ACTIVITIES AND DEVELOPMENTS

ECAFE was established by resolution of Ecosoc on March 28, 1947, for the purpose of facilitating concerted action for the economic reconstruction of the region and raising the level of its economic activity. The Commission may make or sponsor studies of economic and technical problems and development within the area and undertake or sponsor the collection, evaluation, and dissemination of data in the area.

In addition to Ambassador Cowen the United States Delegation will include two officials of the Department of State: Roswell H. Whitman, Assistant Chief of the Division of Investment and Economic Development, and Edward E. Rice, Assistant Chief of the Division of Philippine Affairs. Also on the Delegation will be William W. Diehl, representative of the United States Treasury in Manila, and other officers from United States Missions throughout the region.

Mexican Minister of Foreign Relations Elected Director General of UNESCO

Jaime Torres Bodet, Minister of Foreign Relations of Mexico, has been elected Director General of the United Nations Educational, Scientific and Cultural Organization for a term of six years, the

Department of State was advised on November 26. His nomination by the UNESCO Executive Board was confirmed by a vote of 30 to 3 by the General Conference, which is being held at Beirut, Lebanon. Sr. Torres Bodet succeeds Dr. Julian Huxley, world-renowned British scientist.

Assistant Secretary Allen is chairman of the United States Delegation to the UNESCO conference. In advising the Department of the nomination of Sr. Torres Bodet, Mr. Allen stated:

"The election of Jaime Torres Bodet is an event of profound satisfaction to the United States Delegation and the United States Government. It is a tribute to his country, as well as to him. He won the gratitude of his countrymen and international recognition by his outstanding services as Minister of Education when he provided the leadership for a fundamental education program which has few parallels.

"His achievements since as Foreign Minister have won the respect and friendship of all nations seeking closer relationships and better understanding. His capabilities as an administrator and his intellectual leadership, together with his deep devotion to a peoples movement should be invaluable to UNESCO and contribute immensely to the achievement of its goals."

Freedom of the Road

ACTIONS ON ROAD AGREEMENTS

During the three months that elapsed between the December 1947 and March 1948 sessions of the Working Party on Short Term Problems, Subcommittee on Road Transport, Inland Transport Committee of the Economic Commission for Europe, a further step toward freedom of road transport in Europe was noted by adherence of the Governments of Austria, Luxembourg, Norway, and the United Kingdom to the agreements reached at the first session.¹ At the second meeting, in December, the Governments of the three Western zones of Germany, Belgium, France, the Netherlands, Sweden, Switzerland, Italy, Denmark, and Czechoslovakia agreed to grant or maintain freedom of transit for all road transport of goods; the Governments of the three Western zones of Germany, Denmark, the Netherlands, Sweden, and Switzerland also agreed to grant or maintain freedom of movement for all other international transport of goods which permitted shipments of goods from one country directly to another; and the Governments of the three Western zones of Germany, Belgium, Czechoslovakia, Denmark,

France, Italy, the Netherlands, Sweden, and Switzerland were prepared to maintain all facilities existing for international passenger transport by road. These agreements were to become effective January 1, 1948, and continue for a period of six months.

At the third session, in March of 1948, it was agreed that the freedom of transit for all road transport of goods, all other international transport of goods by road, and facilities for international passenger transport by road would be extended through December 31, 1948. Another important agreement which points to a further achievement in eliminating restrictions on freedom of the road was the granting or maintaining of freedom for international tourist traffic by road. The Governments of Austria, Belgium, France, the Netherlands, Sweden, Switzerland, the United Kingdom, and the three Western zones of Germany adhered to this agreement, commencing April 1, 1948, and continuing through December 31, 1948.

These agreements all remain subject to the following conditions:

(Continued on page 715)

¹ BULLETIN of Jan. 4, 1948, p. 27.

U.S., France, and the U.K. Discuss Controls for Inspecting German Industry in the Ruhr

STATEMENT BY SECRETARY MARSHALL

[Released to the press November 24]

I believe that everyone recognizes that the great industrial region of the Ruhr is essential to the recovery of Europe as well as that of Germany itself. Also I believe the American people recognize the justifiable fears of the French that there should be built up a war potential that might again menace their peace and freedom.

The United States Government would never knowingly be involved in any procedure which in our opinion would reestablish a military menace through the industrial development of Germany. I had a long discussion of this general subject last Friday afternoon with the French Foreign Minister, Dr. Schuman, and with Mr. Hector McNeil, the Representative of the British Foreign Minister, Ernest Bevin. Dr. Schuman expressed the concern of the French Government regarding the recent announcement made at Frankfurt by the Military Governors of the British and American occupied zones in Germany regarding the Ruhr.¹ The decisions announced by the two Military Governors were in keeping with the decisions taken at the previous London conference and had previously, at least so far as General Clay was concerned, been formally approved by this Government. Nevertheless there was a feeling of deep concern on the part of the French Government as I have already stated.

The whole Ruhr issue is one of extreme complexity. It carries in the minds of the French a threat to their peace and security. It involves the great problem that this Government has been facing of providing the large appropriations to meet the deficiencies of the German economy, not only of the American zone but that of the British and now of the French.

There is another consideration which is somewhat lost sight of today. At the end of the First World War the treaty of peace was concluded within, I think, ten months of the end of that war. We are now more than three years past the conclusion of the European war and no treaty of peace is yet in sight. Meanwhile there is an urgent necessity for the restoration of the economy of Europe, of Western Europe in particular, for reasons that anyone can understand and also for very

special reasons with which you are familiar. At the end of this last war, ownership in the Ruhr industries was set aside because of its identification with large combines and the Nazis. Management was made responsible solely to the military government. It is thus impossible for these plants to secure loans for the purpose of rehabilitation and many of them have been operating at a financial loss which has been made up by subsidies indirectly borne by the United States. Hence, it was urgently necessary in the interest of Europe to reorganize the industry under a pattern which would permit responsible enterprises to be under at least a substantive or responsible ownership. This is the basic purpose of the trustee plan announced by the Military Governments. Big combines and property forfeited under the Nürnberg decisions are to be regrouped into smaller self-sustaining units which would be capable of competing in the market place. These small enterprises would be placed under German trusteeship which would be responsible for their efficient and economic operation directly under Allied supervision. Assets and liabilities would be determined and distributed among the enterprises thus formed so that they may be placed on a sound financial basis as rapidly as possible. Procedure is much the same as that under bankruptcy proceedings except that it is being applied to a vast and complex coal and steel industry in one of the great production centers of the world. Obviously completion of this procedure will require several years and it is important that the trustees have a feeling of continuity of policy during this period.

The United States Government believes that adequate security controls can be maintained and provisions are being made for this purpose by the establishment of a Security Commission which will be charged with continued inspection of the German industry. It is obvious that the final determination of the security measures against possible resurgence of German military power must be incorporated in the peace treaty. Security actually does not become a problem during the period of military occupation.

The United States Government has already expressed its willingness to consider further meas-

(Continued on page 715)

¹ Printed in this issue, p. 704.

Reorganization of German Coal and Iron and Steel Industries¹

Military Government—Germany, U.S. Zone of Control Law No. 75

WHEREAS it is the policy of Military Government to decentralize the German economy for the purpose of eliminating excessive concentration of economic power and preventing the development of a war potential

WHEREAS Military Government has decided that the question of the eventual ownership of the coal and iron and steel industries should be left to the determination of a representative, freely elected German Government

WHEREAS Military Government has decided that it will not allow the restoration of a pattern of ownership in these industries which would constitute excessive concentration of economic power and will not permit the return to positions of ownership and control of those persons who have been found or may be found to have furthered the aggressive designs of the National Socialist Party

WHEREAS it is expedient that those industries should forthwith be reorganized with a view to the promotion of the recovery of the German economy

WHEREAS the Military Governors and Commanders-in-Chief of the British and United States Zones of Occupation have agreed on the measures to be taken in their respective Zones for these purposes; and

WHEREAS the Military Governor and Commander-in-Chief of the British Zone is promulgating Law No. 75 in order to give effect to this agreement

It is therefore ordered:

Article I

Decartelization

1. The enterprises enumerated in Schedule A of this Law are hereby declared to be excessive concentrations of economic power or otherwise deemed objectionable and therefore subject to reorganization within the purview of Military Government Law No. 56 Prohibition of Excessive Concentration of German Economic Power. The

controlling companies in each of these enterprises shall be put into liquidation forthwith and a liquidator appointed, or current liquidation proceedings confirmed, as the case may be.

2. The title to assets located in the U.S. Zone owned or controlled by undertakings listed in Schedule B hereof is hereby declared to be subject to seizure by Military Government. Pending a determination on their seizure, these assets, if not already under such control, are hereby placed under control pursuant to the provisions of Military Government Law No. 52. The functions of exercising the powers of control over such assets as provided in Law 52 are hereby vested in the UK/US Coal Control Group.

Article II

Reorganization of the Coal Industry

3. The title to assets located in the U.S. Zone and owned or controlled by undertakings possessing colliery assets as defined in Article XII hereof is hereby declared to be subject to seizure by Military Government. Seizure of such assets shall be effected by nomination by Military Government or its designated agency whereupon the assets so seized shall be transferred by Military Government and title thereto vested in companies which shall be formed for the purpose under German law. These companies shall be formed by and shall have for their shareholders such persons of German nationality as may be designated by or under the authority of Military Government after consultation with appropriate German bodies. The persons thus designated shall be known as trustees and shall hold the shares allotted to them in the companies on behalf of the owners of the collieries and associated undertakings affected by this article in accordance with instructions issued by Military Government.

4. Pending a determination on their seizure, the assets described in paragraph 3 above, if not already so subject, are hereby made subject to the provisions of Military Government Law No. 52. The function of exercising the powers of control provided by Military Government Law No. 52 over such assets is hereby vested in the UK/US Coal Control Group. On completion of the transfer of the title of colliery assets to a new company, as provided for in paragraph 2 hereof, such assets shall cease to be subject to the provisions of Military Government.

¹ Released to the press by Omega in Berlin on Nov. 10, 1948. Law no. 75 will apply to the U.S. Control Area of Germany. A similar law applicable to the British Control Area of Germany was issued simultaneously by British Military Government. It is emphasized that this is not necessarily the final version. The law will be formally promulgated within the next few days and it is possible that minor alterations will be made before final promulgation.

tary Government Law No. 52. The remaining assets of enterprises having colliery assets shall, in the case of enterprises not enumerated in Schedule A or Schedule B, cease to be subject to the provisions of Military Government Law No. 52 and shall, in the case of enterprises enumerated in Schedule A, be transferred to the liquidator referred to in Article I hereof who shall dispose of them in accordance with the orders of Military Government.

5. The Deutsche Kohlenbergbau-Leitung shall be reorganized as an Aktiengesellschaft with the Deutscher Kohlen Verkauf and Bergbaubedarf Beschaffungs Zentrale as subsidiary companies. The Aufsichtsrat of the reorganized Deutsche Kohlenbergbau-Leitung shall be selected from the Trustees mentioned in paragraph 3 and as provided for in Article IV.

6. Military Government will provide by Regulation for—

(a) the rules governing the formation of companies pursuant to paragraph 3, the allocation of assets to such companies, the number of trustees, their powers and duties, their relationship to Military Government, to German agencies, to the companies referred to in paragraph 5 hereof, and to the previous owners of the affected undertakings;

(b) the organization and functions of the companies referred to in paragraph 5, their relationship to Military Government, to German agencies and to the companies to be formed under paragraph 3.

Article III

Reorganization of the Iron and Steel Industry

7. The title to assets located in the U.S. Zone, owned or controlled by undertakings listed in Schedule A hereof and not affected by Article II hereof and title to the assets owned or controlled by Roehling-Buderus AG and Buderusche Eisenwerke-Wetzlar, are hereby declared to be subject to seizure by Military Government. Pending a determination on their seizure, the assets described in this paragraph, if not already under such control, are hereby placed under control pursuant to the provisions of Law No. 52. The function of exercising the powers of control over such assets, as provided in Law 52, is hereby vested in the UK/US Steel Group.

8. A Steel Trustee Association consisting of German nationals shall be established for the purpose of assisting in decentralizing and reorganizing the iron and steel industry. The members of the Association shall be appointed by or under the authority of Military Government, after consultation with the appropriate German bodies.

9. Title to the assets declared subject to seizure by paragraph 7 of this law will, upon notice, be seized by Military Government and, upon seizure, shall be transferred to and vested in the Steel

Trustee Association or the new companies provided for in paragraph 10 below.

10. The Steel Trustee Association shall as soon as possible submit for the approval of Military Government plans for the further reorganization of the Iron and Steel Industry. The plans shall provide for the formation of new companies (hereinafter referred to as unit companies) to which shall be transferred assets seized as provided in paragraph 8 hereof and may provide for the merger or amalgamation of such assets and for the absorption of additional assets which may include assets outside the field of the Iron and Steel Industry.

11. On the approval of the plan for each unit company, with such modifications as Military Government may direct, the title to the assets affected shall be transferred to and vested in the new unit company which shall have as its shareholders such persons of German nationality as may be designated by or under the authority of Military Government, after consultation with appropriate German bodies. The persons thus designated shall be known as Trustees and shall hold, in accordance with regulations or orders issued by Military Government, the shares allotted to them on behalf of the owners of the iron and steel undertakings affected by this Article.

12. On completion of the transfer of the title to assets to a unit company, such assets shall cease to be subject to the provisions of Military Government Law 52. The remaining assets of the enterprises brought under control by paragraph 7 hereof shall, in the case of enterprises not enumerated in Schedule A or Schedule B, cease to be subject to the provisions of Military Government Law No. 52 and shall, in the case of enterprises enumerated in Schedule A, be transferred to the liquidator referred to in Article I hereof who shall dispose of them in accordance with the orders of Military Government.

13. Military Government will provide by regulation for—

(a) the organization and functions of the Steel Trustee Association, its powers and duties, its relationship to Military Government, to German agencies and to the German Iron and Steel Industry, both before and after the formation of unit companies;

(b) the rules governing the number of unit companies to be formed, the allocation of assets to such companies, the number of Trustees, their powers and duties, their relationship to Military Government, to German agencies, to the Steel Trustee Association and to the previous owners of the affected undertakings.

Article IV

United Nations Interests

14. Except for those enterprises enumerated in Schedule A, as subject to reorganization within the

purview of Military Government Law No. 56, enterprises, the share capital of which before 1st September, 1939 was owned to the extent of more than 50 per cent by United Nations nationals, shall not be subject to the provisions of Articles II and III hereof. Provision shall, however, be made by regulation for the representation of such enterprises on the Aufsichtsrat of the reorganized Deutsche Kohlenbergbau-Leitung.

15. United Nations interests in the Coal and Iron and Steel Industries acquired before 1st September 1939 may be represented by persons holding powers of attorney for the owners.

16. The provisions of this Article shall not in any way limit or affect the powers of the UK/US Coal Control Group or the Deutsche Kohlenbergbau-Leitung, in its present or future form, over production and distribution in the Coal Industry.

Article V

Liabilities

17. Assets, the title to which is seized and transferred under the provisions of Articles II and III, hereof, are hereby declared to be free and clear of all charges and encumbrances.

18. The proceeds which may become available from the eventual sale of shares in companies formed under Articles II and III hereof shall be made over to the undertakings, the assets of which have been transferred, or their successors in interest, or liquidators, in proportion to the value of the transferred assets, and shall be available for the satisfaction of creditors in accordance with their original rights under the provisions of German law, provided that Military Government may order priorities for the satisfaction of debts arising during the period of Military Government control.

Article VI

Former Reich and Prussian State Interests

19. Enterprises and holdings of the former Reich or Prussian State shall be subject to the provisions of this Law. Interests of the former Reich or Prussian State in companies formed pursuant to this Law shall be represented by the Trustees referred to in Articles II and III hereof and shall be dealt with in accordance with the provisions of such regulations and orders as may be issued under Article XI hereof or other relevant legislation.

Article VII

Amendments and Repeals

20. Insofar as the provisions of Military Government Law No. 52 or 56 are inconsistent with the provisions of this Law, this Law shall prevail.

21. This Law, and all regulations and orders issued thereunder, shall prevail over provisions of German law inconsistent therewith.

Article VIII

Tax Provisions

22. Taxes and other duties shall not be imposed in connection with any transfer pursuant to Articles II and III of this Law, nor shall any taxes or other duties be imposed in connection with the formation of new companies as provided herein.

23. The vesting in Trustees of ownership interests in the companies formed pursuant to Articles II and III hereof shall not affect the computation of the tax liabilities of such companies. The assessment of all taxes on such companies shall be according to the principles of German tax law which would be applicable to them in the absence of trustees.

Article IX

Attestation

24. The appropriate German authority shall register transfers made pursuant to this Law without any attestation upon presentation by Military Government of a certified list of the assets to be transferred.

Article X

Penalties

25. Any person violating or evading or attempting to violate or evade or procuring the violation of any provision of this Law or of any regulation or order issued thereunder shall, upon conviction, be liable to a fine of not more than DM 200,000 or to imprisonment for not more than five years or both.

Article XI

Regulations

26. Military Government may from time to time issue regulations and orders in implementation or amplification of this Law.

Article XII

Definitions

27. For the purpose of this Law and any regulation or order issued thereunder—

(1) "Colliery assets" shall mean assets located on or physically connected with a colliery or economically essential to the operation thereof and include the following properties and interests of the coal mining industry—

(a) Coalmines and unworked coal.
"Coal" includes steinkohle, pechkohle and braunkohle, together with such other minerals as are normally mined by colliery undertakings in association with the foregoing.

"Mine" includes quarry, opencast, drift and deep mine workings and borings associated therewith.

(b) Fixed and movable property used for colliery activities and the following ancillary activities: coal carbonization, coal products distillation

processes allied with colliery activities and processes associated with briquetting plants, manufactured fuels, hydrogenation plants, synthetic plants, nitrogen and ammonia plants, plants for the provision of gas to the gas grids, brick, tile and similar works and property used for the supply of water from or to a coal mine.

(c) Property used for generating and transmitting electricity, consumed exclusively or mainly in the course of colliery and ancillary activities.

(d) Railways, aerial ropeways, canal waterways and other fixed and movable property used exclusively or mainly for inland or water transport, loading, discharging, handling or storing of products of colliery and ancillary activities, or articles required for colliery or electricity activities and ancillary activities, when such equipment is used exclusively for internal transport within the area of a colliery.

(e) Fixed and movable property of the colliery undertaking used exclusively or mainly for the purposes of the sale or supply by colliery concerns of products of colliery and ancillary activities.

(f) Fixed and movable property of the colliery undertaking used for such welfare, activities as hospitals, baths, canteens or for the provision of benefits for the staff employed in colliery and ancillary activities.

(g) Patents in respect of inventions relating to processes applied in the course of colliery and ancillary activities or to production in connection with these activities and trade marks used or intended for use in relation to such production.

(h) Stocks of products of colliery and ancillary activities.

(i) Consumable or spare stores available for use for colliery and ancillary activities.

(j) Interests of colliery undertakings in dwelling houses and land used to provide housing accommodation for the workpeople and staff employed in colliery and ancillary activities.

(k) Interests of colliery undertakings in forests, farms, farming stock and other agricultural property, and all land owned by colliery undertakings, including land to be used for the enlargement of surface installations and similar activities.

(l) Interests of colliery undertakings in technical organizations, all organizations engaged in research for the colliery industry and ancillary activities, testing stations designed to secure safety in mines and in allied activities, and schools and institutes engaged in training for the mining and ancillary activities.

(m) Liquid assets, including accounts receivable and cash in hand which are attributable to the operation of the assets specified herein.

(2) "Coal carbonization and coal products distillation processes" shall mean the distillation of coal by any process, and the treatment, rendering

and distillation of salable products arising from the distillation of coal.

(3) "Electricity property" shall mean power stations, transformers, transmission lines and other fixed and movable property used in connection with the generation or transmission of electricity.

(4) "Fixed property" shall mean all buildings, works, fixtures and fixed machinery and plant and the sites thereof.

(5) "Movable property" shall mean all movable machinery and plant, wagons and other vehicles, engines, tractors, vessels, animals and movable equipment of any kind.

(6) "Undertakings" shall mean enterprises of any nature whatsoever.

Article XIII

Effective Date

28. This Law shall become effective in the Laender of Bavaria, Hesse, Bremen, and Wuerttemberg-Baden on 10 November 1948.

BY ORDER OF MILITARY GOVERNMENT

Schedule A to U.S. Military Government Law No. 75

Enterprises Declared To Be Excessive Concentrations of Economic Power, or Otherwise Deemed Objectionable and Therefore Subject to Reorganization Within the Purview of—

MILITARY GOVERNMENT LAW No. 56	{ PROHIBITION OF EXCESSIVE CONCENTRATION OF GERMAN ECONOMIC POWER
-----------------------------------	---

1. Vereinigte Stahlwerke Aktiengesellschaft
2. Fried. Krupp
3. Mannesmannroehren-Werke
4. { Kloeckner-Werke Aktiengesellschaft
Kloeckner & Co.
5. Hoesch Aktiengesellschaft
6. Otto Wolff
7. { Gutehoffnungshuette Aktienverein fuer Berg-
bau und Huttenbetrieb
Gutehoffnungshuette Oberhausen Aktiengesellschaft
8. Ilseder Huette
9. Reichswerke Complex
10. Flick Complex
11. Thyssen-Bornemisza Group
12. Stinnes Complex
13. Rheinisch-Westfaelisches Kohlen-Syndikat
14. Niedersaechsisches Kohlsyndikat Gesellschaft mit beschaenkteter Haftung
15. Rheinisches Braunkohlen-Syndikat Gesellschaft mit beschaenkteter Haftung
16. Westfaelische Kohlenhandels-ges. Gastrock & Co.
17. Kohlenhandelsgesellschaft "Hansa," Kallmeier & Co.
18. Kohlenhandelsgesellschaft "Mark," Siepmann, Schrader & Co.

THE RECORD OF THE WEEK

19. Westfaelisches Kohlenkontor Naht, Emschermann & Co.
20. Kohlenhandels-gesellschaft "Niederrhein," Weyer, Franke & Co.
21. Kohlenhandels-gesellschaft "Westfalia," Wiesebroek, Schulte & Co.
22. Kohlenhandels-gesellschaft "Gluckauf" Abt. Beck & Co.
23. Deutsche Kohlenhandels-gesellschaft Lüders, Meentzen & Co.
24. Kohlenkontor Weyhenmeyer & Co.
25. Westfaelische Kohlenverkaufsgesellschaft Vollrath, Weck & Co.
26. Kohlenwertstoff A. G.

Schedule B to U.S. Military Government Law No. 75

Enterprises Declared To Be Subject to Seizure by Military Government, the Assets of Which Are Placed Under Control Pursuant to Military Government Law No. 52

1. Vereinigte Elektrizitäts-und Gewerks-A. G.
2. Rheinisch-Westfaelisches Elektrizitätswerk A. G.
3. Vereinigte Elektrizitaetswerke Westfalen A. G.
4. Vereinigte Industrieunternehmungen A. G.

OUTLINE OF DECISIONS¹

The U.S. and U.K. Military Governors have had under review the structural reorganization and the pattern of ownership in the coal and iron and steel industries. The following constitutes an outline of the decisions which have been reached and which will be put into operation in the near future and which are embodied in the laws and schedules which have been made available to you today.

In the first place the Military Governors wish to make it clear that the restoration of a pattern of ownership in these industries which would constitute an excessive concentration of economic power will not be allowed. Nor will the return to positions of ownership and control of those individuals who permitted and encouraged the aggressive designs of the national socialist party be permitted. Secondly the Board considers the question of socialization to be one that is properly within the competence of a representative freely elected German Government, the sovereignty of which may extend over the whole of Germany or may be confined to Western Germany only. Accordingly the Board will not take any action in regard to the coal and iron and steel industries in the Combined Area which will prejudice a decision by such future German Government as to the pattern of ownership to be established for those industries. At such a time as a representative freely elected Government either for Germany as a whole or Western Germany alone is constituted it shall be at liberty to resolve this question within the limitations of Military Government policy already expressed.

The Board considers that in the meantime an

interim reorganization of these industries is essential in the interests of the recovery of the German economy. Accordingly, the Board has decided to take certain steps which, without prejudicing the ultimate settlement of ownership have the purpose (a) to transfer the custody of the assets in these two industries and the exercise of ownership functions to German hands (b) to strengthen and improve existing German organizations and to provide German organizations where none exist and the need is considered as established (c) to encourage a return to a more normal method of working, under which directors and management will have the motive and the opportunity to assume their proper responsibilities and liabilities (d) to provide or adjust Military Government organizations in these industries on a Bipartite basis.

In formulating the plan to give effect to these objectives, The Board has decided that undertakings in the coal and iron and steel industries in which Allied interests as at 1st September 1939 owned the share capital to the extent of more than 50 per cent should be excluded from the application of these decisions.

Enterprises which fell within this definition and which are not subject to reorganization under decartelization legislation will be released from the control at present exercised by Military Government under the provisions of the relevant orders issued under Law 52 and the owners of such enterprises will be at liberty to resume their normal functions except that in the case of the coal industry the powers of Military Government which are vested in the UK/US Coal Control Group and the powers over the production and distribution of coal allotted by Military Government to the DKBL in its present or future form shall in no way be limited or affected by these arrangements.

The following is a summary of the steps which will be taken in the coal industry.

The colliery undertakings within an established definition will be withdrawn from their parent

¹ Released to the press by OMGUS in Berlin on Nov. 10, 1948. This statement relative to the U.S. and U.K. plans for the "Reorganization of German Coal and Iron and Steel Industries" was issued simultaneously on Nov. 10, 1948, to German representatives of the Economics Council; of the Länderrat and the Bizonal Executive Committee in Frankfurt; of the steel industry and its trade-union leaders at Düsseldorf; and of the coal industry and its trade-union representatives in Essen.

enterprises and set up under new companies to be formed for the purpose under German Law. Military Government will decide in broad outline the assets which will be allotted to each new company and will seize and transfer the title to such assets to the new companies. In grouping these colliery interests for the future, care will be taken to group in accordance with the requirements of efficient operation and to avoid undue dislocation.

German nationals will be appointed as Trustees for each new company by Military Government after due consultation with the appropriate German bodies. Three to five Trustees will be appointed per company and will hold the shares of the company in equal proportion. The shares will be held on behalf of the owners but the rights of the owners will be limited to receiving appropriate proceeds arising from the eventual disposal of the shares and shall not include the right to influence or affect the acts of the Trustee.

Trustees will be responsible to Military Government for the efficient discharge of their duties. The managements of the new companies will be subject to the over-all authority assigned to the DKBL. The Trustees will exercise the functions of ownership except that they shall not distribute earnings and shall not be entitled to dispose of the shares or the capital assets of their companies without the approval of Military Government.

The DKBL and its subsidiary companies the DKV and BBZ will be formed into Aktiengesellschaften. The shares of DKBL will be held by Military Government, and DKV and BBZ will be fully owned subsidiaries of the DKBL. Members of the Aufsichtsrat of the DKBL will be appointed from Trustees of the new coal companies by Military Government who will ensure that the constitution of the Aufsichtsrat is broadly representative and who will arrange for the inclusion of appropriate representation of Allied-owned mines in the Aufsichtsrat.

The reconstitution of the DKBL will be delayed until a sufficient number of Trustees appointed to the new coal companies are available for nomination to the Aufsichtsrat. In the meantime the DKBL will continue under its present constitution.

Steps of a similar nature will be taken in the iron and steel industry. In this case the programs envisaged consist of two phases. In the first phase a steel trustee association will be formed consisting of 12 members who will be appointed by Military Government after due consultation with appropriate German bodies. The shares of the new companies which have already been formed to operate the steel-producing industry will be transferred to the association and the assets at present operated by these companies, including assets at present held on lease from the owners, will be seized by Military Government and the title thereto transferred to the association.

During this phase the association will exercise the functions of ownership except that it shall not be entitled to distribute earnings or to dispose of either the shares or the assets which it holds and shall be subject to the over-riding authority of Military Government through the Agency of a Bipartite Steel Group which will be formed for the purpose. In the fields of current production and distribution the association will have advisory functions only. Other iron and steel-producing assets as may be approved by Military Government may also be transferred to the association.

During the first phase the association will have as its primary task the proposal of measures for the further reorganization of the iron and steel industry with the object of combining the assets now held by the steel producing companies into a fewer number of companies in order to obtain production units of optimum efficiency. In formulating their recommendation the association will be at liberty to propose the inclusion of additional assets of the former iron and steel and coal complexes in order to provide sound economic units of a size and range capable of sustaining the steel fabricating industry in competition with the world markets. Such additional assets may include colliery assets and particular attention will be directed to the treatment to be accorded to the iron ore mining industry. The criteria which will govern the proposals for this further reorganization will be purely economic and the former ownership groupings will be ignored entirely.

The second phase envisages the completion of the formation of new unit companies and the appointment to them of German nationals as Trustees in a manner similar to that adopted in the coal industry. At this stage the Trustee association will cease to exercise the powers of ownership which will be vested in the hands of the Trustees for each unit company. The association will then assume the normal functions of a trade association except that, for the time being, membership will be compulsory on the basis that each unit company will nominate one of its trustees as a member of the association.

Finally as a complementary step to the reorganizations plans for the coal and iron and steel industries it has been decided to take action in these fields in order to apply the decartelization policy which has been adopted in the Combined Area. Accordingly the exceptions from the application of Ordinance 78 which were made at the time of promulgation of the decartelization legislation in the case of the coal and iron and steel industries and the firm of Friedrich Krupp will be cancelled. The undertakings involved will become subject to the provisions of the implementing regulations of this Law except that Military Government has decided without further delay to declare a number of the original combines to be

excessive concentrations of economic power or otherwise to be objectionable. The controlling companies in each of these enterprises will be put into liquidation or current liquidation proceedings confirmed as the case may be. The names of concerns which will be dealt with in this manner are shown in schedule A of the Law.

In conclusion I am instructed to emphasize that the Military Governors have special responsibility in regard to the coal and iron and steel industries, of which they cannot divest themselves at this stage. These industries, the bulk of which is located in the British Zone, have been in the control of the British Commander-in-Chief. By agreement between them the Military Governors are now transferring the powers of ownership, with certain qualifications, to German Trustees. The Military Governors however are retaining certain control powers. They are bound to do this on account of international agreements to which their Governments are party and they are bound to retain a

measure of control until the final disposition of ownership has been determined. Therefore the decisions which are being announced to you today are necessarily decisions of the Military Governors taken by them in the light of their special responsibilities for these industries.

Before these decisions were reached the views of the various interested German authorities and organizations, which are well known to Military Government, were given full consideration, and, as far as possible and as far as it is compatible with Military Government policy, these views have been incorporated in the plan. The Military Governors are confident that this development will be welcomed by German opinion in general, and look forward to the whole-hearted cooperation of all affected Germans in the implementation of the plan, and to the attainment by joint effort, of the common objective of increased production and an effective German contribution to the recovery of Europe as a whole.

U.S. Charges Bulgarian Trials Violate Peace Treaty

After a trial which followed the familiar Iron Curtain pattern and was predicated on the usual vague charges and "confessions", severe sentences have been meted out to a small group of Independent Socialist deputies led by Kosta Lulchev, who constituted the last parliamentary opposition to the Bulgarian Communist Government. The sentences ranged from life imprisonment for one defendant (*in absentia*) to a minimum of 10 years. Mr. Lulchev was given 15 years. Accompanying these prison terms were severe monetary fines.

Prior to the arrests of these men their fate was foreshadowed by Prime Minister Dimitrov, who warned them in Parliament on January 12, 1948: "If you do not attempt to grow wiser, you will receive from the people a lesson which you will remember up to 'St. Peter'".

In thus terminating the final pretense of Bulgarian democracy by eliminating these remaining elected representatives of the opposition, the Bulgarian regime has again violated its covenanted obligation under article 2 of the treaty of peace to assure its citizens basic fundamental freedoms.

During the trial, the Bulgarian prosecutor endeavored to implicate United States official personnel in Bulgaria in the improper activities charged against the defendants. The United States Minister has delivered the following note to the Bulgarian Foreign Minister in connection with the prosecutor's assertions:

I refer to accounts of the trial of Kosta Lulchev and others published in *Otechestven Front*, containing statements alleged to have been made in

the course of the trial concerning relations of the defendants with American officials and personnel.

According to those accounts, the prosecution endeavored to demonstrate that various conversations between the defendants and the United States Political Representative in Bulgaria in 1945 and 1946 constituted treasonable activity. The prosecution further alleged subversive involvement with Bulgarian political forces on the part of an enlisted United States soldier.

With regard to conversations between the defendants and the United States Political Representative, the Bulgarian Government is reminded that Bulgaria was at that time under an Armistice regime, and when requested, free discussions of Bulgarian political affairs with representatives of the Armistice powers was accordingly incumbent upon Bulgarians. It may be added that no discussions have taken place between United States officials and Bulgarian nationals during the Armistice period or subsequently which could be regarded as improper then or following the conclusion of peace. As for the prosecution allegation regarding an American enlisted soldier, the absurdity of the charge should have been apparent. The individual was a mess sergeant whose duties comprised the procurement of food for members of the Allied Control Commission.

The United States Government, in registering its objection to these preposterous assertions of the public prosecutor, takes exception to this irresponsible conduct of a Bulgarian official toward the United States.

Department of State Bulletin

Contribution of Western European Countries to Economic Recovery

BY WILLARD L. THORP¹

Assistant Secretary for Economic Affairs

Three years ago, in 1945, your nation and mine emerged from one of the greatest cataclysms of history. The peoples of our countries, of all the Allies, groped from the darkness of war to the light of peace expecting something changed, something new.

The statesmen who were preparing the peace were not unmindful of this deep-rooted sentiment among all peoples who stood in the battle lines. They planned the postwar period with a thoroughness which probably has never been equalled before in history. For example, well before the war's end the concept of the United Nations began to take form, with a Charter designed to provide machinery for the preservation of the peace. The process of postwar planning did not stop there. UNRRA was blueprinted for the immediate emergency period. The International Bank for Reconstruction and Development was mapped out to provide the capital for long-range recovery. The International Monetary Fund and the International Trade Organization were to guide and guard economic health. Other organizations were conceived to develop international cooperation in specialized fields, such as the Food and Agriculture Organization, the World Health Organization, the United Nations Educational, Scientific and Cultural Organization and the like. In a word, a careful groundwork was laid and it was hoped that these new international instruments would serve as a solid foundation for the future, that recovery would not be long delayed, and that the peace would promise well.

Unfortunately, the difficulties in the way of economic recovery, which is the true basis of social and ultimately of political security, were underestimated. The destruction was greater than the human mind had been able to grasp. The dislocation was more severe. Markets were disrupted; normal trade channels were blocked; the customary patterns of trade balance and the means of foreign payment for countries whose economic life had been built on the expectation of international trade were destroyed.

As time went on, the interdependence of the recovery of the countries in the Western area became increasingly clear. In other words, the recovery

of a country depends not alone on what it would and could do itself; it depends also on the behavior of other countries.

I need not tell you in Belgium this. You were the first to take bold steps towards economic recovery, and you were in the forefront of those cutting with a surgeon's knife the impediments to economic recovery. You moved forward towards economic health well ahead of many other countries, and the limiting factor on your accomplishment in substantial part has come from without rather than from within. In a word, your international economic relationships failed to keep pace with your domestic development, and you suffered the consequences. Recovery must be a joint product.

Until about a year ago, the United States dealt with the problem of assistance for recovery, nation by nation. There were UNRRA, with 70 percent of the cost borne by the United States, and two subsequent fully U.S.-financed assistance programs, whose operations were based on country allocations. There were loans by the United States Export-Import Bank on a case-by-case basis, as were the loans by the International Bank. These separate and individual efforts just did not seem to be fully effective, and the American Congress became less and less satisfied with the piecemeal approach to the problem while, concomitantly, in Europe the need for an interdependence of planning became more and more clear. From this thinking on both sides of the ocean the European Recovery Program was born.

The European Recovery Program is a great experiment in economic cooperation, and I am sure that all of us who are involved can be very proud of it as a demonstration of the finest kind of constructive international undertaking. For the United States, it is, to put it very simply, a matter of giving you assistance so that you can help and strengthen yourselves. Unfortunately, although you and men of good will throughout Western

¹ An address made before the Rotary Club in Brussels on Nov. 23, 1948, and released to the press by the U.S. Delegation to the third regular session of the General Assembly on the same date. Mr. Thorp is Alternate Delegate of the United States to the General Assembly.

Europe understand our purposes, there are countries and political groups which have deliberately misconstrued our aims and are exerting their utmost to sap and sabotage the European Recovery Program and to poison with vicious lies and violent charges the atmosphere in which it must accomplish its creative effort. Since they chose, or were directed, not to join in the great effort, they continually appear to be under a strange compulsion to justify that decision. To those who knew the facts, these interpretations of the ERP by its enemies are clearly in the realm of fiction.

I should like to emphasize the fact that the European Recovery Program is *European*. I mean to say that although the original initiative was American, the major part has been played, is being played, and will be played by the participating European governments. Over a year ago, the representatives of the 16 European governments blocked out the fundamental analysis which underlies the program. They next signed an agreement defining their joint purposes. They then set up the OEEC, the Organization for European Economic Co-operation—which is the operative organ in this field—of which the United States is not even a member. Through this organization the 16 undertake a major part of and all the initial planning. The United States enters the picture largely to match the requirements as developed by the European governments with the availabilities in the United States and from other sources. In short, the United States services a European program. It is the greatest of injustices to the European countries themselves to picture ERP as an American concept—I shall not insult you by picking up the propaganda word “plot”—when it is Europeans who have done so much to found and implement and vitalize the project.

Now, the peoples of what for the present we must limit to Western Europe have characteristics and institutions and traditions in common with the people of the United States. They have protective procedures with regard to the development of their public policies which assure the maximum of freedom and independence. Thus, those public policies are arrived at openly. There is public discussion of current issues. There is a free press. Multiple political parties represent the various shadings of opinion. There are free elections, which make it essential for the Government holding power in trust for the citizens to be responsive to their will if it wishes to survive. In short, in Western Europe as in the United States there is an open, untrammelled, democratic society which both Americans and Europeans wish to preserve as the principal source of their strength and the surest armor against interference and domination from the outside. I mention this because it has been suggested that your governments, under the pres-

sure of economic necessity, have transferred great areas of authority and control over your affairs to the United States. Not only has no government in Western Europe done any such thing, but from our side, we in the United States wish the most independent and strong kind of Europe and one which will withstand all pressure from without, preserving for its children that kind of good society in which alone free men can hope to survive.

Anyone who takes the trouble to read the bilateral agreements setting up the European Recovery Program will speedily recognize that the basic commitments by the European countries are those which they had already taken among themselves in their own organization—to use their best efforts to achieve recovery, and their obligations to the United States are primarily directed to providing assurance that the American assistance will be used efficiently and effectively for the same purpose. These agreements are written against the knowledge that the participating countries of Western Europe are as jealous as we are in the United States of their rights and freedoms and open in their procedures. It is our most earnest hope that they, as we, will so remain.

Indeed the European Recovery Program clearly has as its objective not to increase European dependence on the United States but to reduce that dependence. We are living in a world of shortages. There are shortages everywhere, but fortunately American productive machinery which escaped war's destruction is able to operate at a high level. It produces goods which are needed in Europe and which, under the European Recovery Program, are sent to Europe even though there is no prospect of payment. It is obvious that this cannot continue indefinitely. Therefore, the object of this mission must be not to set up an American monopoly or a market but to raise European production and adjust trade to the point where participating countries can be self-supporting once more and where any so-called dependence on other areas will disappear.

I am certain that you know as well as we do in the United States that one of the most earnest prayers in the wishful thinking of those who want the ERP to fail is that our country will run into another economic crisis and that the workers of the United States will be without employment with destructive social consequences. Day after day this theme has pervaded the propaganda of those who wish us ill.

Strange to say, however, their prophesies are not fulfilled, and in order to justify their failure as social and economic Cassandras they have launched the comforting thought—to them—that the United States is sending tremendous shipments of goods to Europe in order to ward off a crisis. Let me

say to you that even if all shipments of goods were to stop, there would be little more than a readjustment in our economy and certainly no crisis. The shipments to Europe, although heavy, are still only a small percentage of our total production, and we still have shortages in the United States. There are tremendous demands upon our industry from our domestic economy and many areas of the world other than Europe remain to be served. We are not seeking markets abroad for surplus goods. We have no need to expand our trade to maintain our economy and certainly not on a grant basis.

Moreover—in form as well as volume—Europeans are directing their recovery, and we are happy to help them to this end too. As you know, the programing is done by each European country in the first instance itself and then through the OEEC with other European countries, and finally with the United States. This applies to agriculture as well as industry. The United States is wholly sympathetic with the European wish to place agriculture at the top of all needs and will, so far as possible, contribute to the expansion of agriculture in all European countries. In the industrial field European governments felt that they could provide a large part of their requirements and this decision is respected by us.

In a word, it is the ardent wish of all Americans that agriculture, industry, and trade in Europe will be stimulated by our aid and will expand to the outside limits of possibilities in present conditions.

The principles which underlie the European Recovery Program are basic principles for economic progress anywhere in the world. No one can deny that improved standards of living and steady and secure employment rest upon increased production, financial stability, and the expansion of trade. Nor can one deny that the efforts of many countries working cooperatively can achieve much more than the same amount of energy expended separately in countries acting in isolation.

Your country and my country have been leaders in the effort to see that these economic objectives be steadily pursued not merely in the European Recovery Program, but in the broader operations of the United Nations.

I am sure that this is perfectly clear to men as well informed in economic matters as you must be, and as I have found your compatriots to be in the last several years as I have worked with them on many economic problems. I need only mention with a sense of real appreciation the leadership which M. Camille Gutt has given to the International Monetary Fund and the part which your representatives played in developing the Havana Charter with its program for trade expansion and the establishment of the International Trade Organization. In fact, every day in the various

phases of the economic program under the United Nations I sit down with the delegates and experts of Belgium and find that we can always work happily and constructively together.

My specialty is the economic phase of our international responsibility, and as a consequence my special concern is with economic recovery and the progress towards constantly higher standards of living. I have therefore dwelt on the economic aspects of the postwar and the march to economic unity. It cannot be overlooked, however, that there are clear relationships between economic health and political stability. They are closely interrelated and while we may say that "Man cannot live by bread alone", neither can he live without it. Promises and panaceas seem brightest to the hungry and dissatisfied and dispossessed. Calm heads do not usually go with empty stomachs. Evolution instead of revolution takes place only when the economic atmosphere is one of hope, not fear.

The winning of the great freedoms—freedom in economic terms, freedom in political terms, freedom from war and threat of war—is the paramount problem of our time. Some of us, therefore, are working to promote economic security; others in a parallel operation are putting together the sticks and stones of political security.

I am happy to record that in the last months there has been a real progress in the direction of political as well as economic security. There is a definite trend towards real accomplishment, in deeds, not only words. Benelux is a growing reality. Under the Brussels pact, to which our Senate has given a sympathetic accolade, practical steps have been taken to integrate security measures through a unified Western command. Conversations are now taking place which will have the effect of enlarging the scope of these measures to the whole Atlantic area. Unity is coming in the Western world, in short, and the kind of unity that is the peoples' due. Your distinguished statesman, Foreign Minister Spaak, has been one of the moving spirits in this accomplishment and it has been a privilege to follow the course at close range of his eminent leadership.

There is, in short, a blueprint today with economic aspects and with political aspects and even with military aspects, from which we can construct a stronger West. Day by day the graph on this blueprint mounts and achievement is recorded. The contribution of the United States to this accomplishment is a small part compared to what Europeans are doing themselves for themselves. But what the American people give they give with the fullest measure of good will and with the sincerest hope that the darkest days of fear and insecurity will soon be behind and that ahead will lie a future bright with the promise of prosperity and the assurance of enduring peace.

Entry Into Force of International Whaling Convention Proclaimed

[Released to the press November 26]

The international convention for the regulation of whaling, which was signed at Washington on December 2, 1946, was proclaimed by the President on November 19, 1948. The President's proclamation is effective from November 10, on which date the Netherlands Government deposited with the Department its instrument of ratification of the convention. Since instruments of ratification had been previously deposited by the United States, Australia, Norway, the Soviet Union, the Union of South Africa, and the United Kingdom, this action by the Netherlands was the last step required to bring the convention into force between those Governments. In addition, Iceland, which had not signed the convention, has given to the Department notification of its adherence to the terms of the convention, and Panama has informed the Department of its intention to apply the convention provisionally pending definitive approval in accordance with its constitutional requirements. These notifications became effective on November 10, 1948, the day on which the convention entered into force.

Advice and consent to the ratification of the convention on behalf of the United States was given by the Senate on July 2, 1947.

The principal objective of the convention is to provide long-range regulation for the whale fisheries in order to secure proper and effective conservation of whale stocks, to prevent further depletion of certain species of whales which have for some time been subject to overfishing, and to promote the orderly development of the whale fishery with due regard to all pertinent conservation, economic, and nutritional considerations. In order to carry out its purposes and objectives, the convention provides for the establishment of an International Whaling Commission composed of one member from each contracting government. The Commission is empowered to undertake study and investigation of the present and future problems of the whale fishery and, within strictly defined limits, to amend the schedule which is annexed to the convention and which contains specific regulations upon such matters as protected species, open and closed seasons, open and closed waters, and size limits. It is anticipated that the first meeting of the Commission will be held at London in the near future.

Whaling operations during the forthcoming Antarctic season, scheduled to open on December 15, 1948, will be governed by the provisions of the schedule as they now stand, since any new regulations which may be adopted by the Commission may not become effective prior to July 1, 1949.

Discussions With Ireland on Double Taxation

The Department of State announced November 23 that discussions will be opened at an early date between American and Irish technical experts looking to the conclusion of treaties between the two Governments for the avoidance of double taxation and for administrative cooperation in prevention of tax evasion with respect to income taxes and to taxes on estates of deceased persons.

If the discussions are successful and a basis for agreement is found, they will result in the preparation of draft treaties, which will be submitted by the negotiators to their respective Governments for consideration with a view to signing.

In preparation for the discussions, the American Delegation will welcome conferences with interested parties or statements and suggestions from them concerning problems in tax relations with Ireland. Communications in this connection should be addressed to Eldon P. King, Special Deputy Commissioner of Internal Revenue, Bureau of Internal Revenue, Washington 25, D. C.

THE FOREIGN SERVICE

U.S. and Ceylon Exchange Diplomatic Representatives

Ceylon Ambassador Presents Credentials¹

[Released to the press November 24]

The presentation of credentials to President Truman on November 24 by George C. S. Corea, first Ambassador of Ceylon to the United States, gives full effect to the agreement to exchange diplomatic representatives entered into by the United States and Ceylon shortly after the latter gained fully self-governing status early this year. The first American Ambassador to Ceylon, Felix Cole, presented his letters of credence to Sir Henry Monck-Mason Moore, the Governor General of Ceylon, on August 3 this year. It is a source of satisfaction to this country to have thus inaugurated the closer relationship which accompanies this exchange of ambassadors.

Ambassador Corea has had a wide and extended career in law, politics, and international affairs. He has held cabinet posts in Ceylon and was Ceylon's High Commissioner to the United Kingdom from 1946 until his present appointment to the United States.

¹ For texts of the Ambassador's remarks and the President's reply, see Department of State press release 944 of Nov. 24, 1948.

U. K. Draft Resolution—Continued from page 689

time; and *instructs* the Conciliation Commission to report immediately to the Security Council for appropriate action by that organ any attempt by any party to impede such access;

9. *Recommends* to the Security Council that after the frontiers have been established in accordance with this resolution the Security Council considers, in conformity with the Charter, any attempt to alter these frontiers by force as a threat to the peace, breach of the peace, or act of aggression;

10. *Endorses* the principle stated in Part I, section V, paragraph 7 of the Mediator's report and *resolves* that the Arab refugees should be permitted to return to their homes at the earliest possible date and that adequate compensation should be paid for the property of those choosing not to return and for property which has been lost as a result of pillage, confiscation or of destruction; and *instructs* the Conciliation Commission to facilitate the repatriation, resettlement, and economic and social rehabilitation of the Arab refugees and the payment of compensation, and to enter into contact with the Director of United Nations Relief for Palestine Refugees;

11. *Authorizes* the Conciliation Commission to appoint such subsidiary bodies and to employ such technical experts, acting under its authority, as it may find necessary to the effective discharge of its functions and responsibilities under this resolution;

12. *Instructs* the Conciliation Commission to render progress reports periodically to the Secretary-General for transmission to the Security Council and to Members of the United Nations;

13. *Calls upon* all Governments and authorities concerned to co-operate with the Conciliation Commission and to take all possible steps to assist in the implementation of this resolution;

14. *Requests* the Secretary-General to provide the necessary staff and facilities and to make appropriate arrangements to provide the necessary funds required in carrying out the terms of this resolution.

Consulate at Suva To Be Closed

[Released to the press November 26]

The United States Consulate at Suva, in the Fiji Islands, is to be closed December 31, 1948, according to an announcement by the Foreign Service.

The closing has been ordered primarily for administrative reasons, as the amount of business done there on behalf of Americans in recent times does not justify the Consulate's continuation during a period of strict economy. The work of the office will henceforth be performed by periodically sending to visit Suva a Foreign Service officer familiar with conditions in the South Pacific Islands.

Freedom of the Road—Continued from page 702

(a) The road services of countries and occupation zones granting such facilities shall enjoy equal privileges in the beneficiary countries;

(b) The carriers shall respect existing laws and regulations of a technical or administrative character now in force.

By the end of May 1948, the Governments of Luxembourg and Norway had adhered to the agreements for international passenger transport by road and international tourist traffic by road.

At the fourth session in May, 1948, the invitation was renewed for other participating governments

to accede to the agreements on lifting of restrictions on freedom of the road. As a further step toward the desired objective, the governments were in the process of providing information on their laws and regulations and agreements in force so that the Committee would be able to make a study of the difficulties with which international road transport is confronted and thereby facilitate a better approach to the problem.

The fifth session convened October 5, 1948, at Geneva. Adherences to a one-year extension, commencing January 1, 1949, on freedom of road agreements to which they are now signatories, were made by the Governments of Austria, Belgium, Czechoslovakia, Denmark, France, Italy, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, the United Kingdom, France, and the three zones of Western Germany.

This session recommended that those governments not yet adhering to the agreement on freedom of transport of goods other than in transit should reconsider their position in order that they might be able to take favorable action before the sixth session, in March 1949. In regard to the international tourist-traffic agreement the Representative of Italy reported that a favorable decision from his Government would be received within a short time. Other accomplishments of the Working Party toward the ultimate goal of freedom of the road can be evidenced by approval of reciprocal annulment of customs duties on gasoline carried by commercial and tourist vehicles throughout Europe and the agreement on the part of Sweden to liberalize restrictive national laws covering the movement of commercial vehicles.

The Ruhr—Continued from page 703

ures which may need to be taken to insure security against possible future German aggression. I stated to Dr. Schuman that this Government was ready now to welcome French participation in the control groups established over coal and steel without waiting for the final fusion arrangements. But the principal consideration is that the final determination of the security problem of Europe in relation to the future of the Ruhr must await the terms of the peace treaty which will be conclusive in the matter.

I might add one more thought to this matter, which is that it must be very hard for our public to reach a full understanding of this complicated problem not only because it is complicated but also because in the political strife now occurring in France many things are said—or claimed—to have a definite political purpose quite apart from the future of the Ruhr. The present Government has this additional difficulty to deal with.

¹ For texts of the Ambassador's remarks and the President's reply, see Department of State press release 938 of Nov. 23, 1948.

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